ABOUT THE COVER

Montana is the fourth largest state encompassing 147,138 square miles in area. The Rocky Mountains extend north and south through the western part of the State. The eastern two-thirds of Montana consist of plains broken by occasional mountain ranges.

Montana's industries are centered around agriculture and natural resources. Wheat and cattle are the major agricultural commodities with timber, oil, coal and copper the leading natural resources.

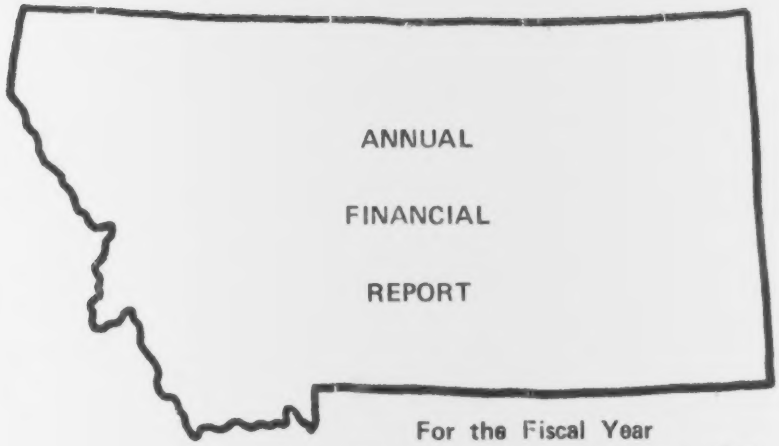
Tourism and recreation are two growing industries in the State. Four and one-half million people tour Montana annually, enjoying its numerous parks, streams, State and National monuments.

Montana has nine colleges, three junior colleges, and five vocational-technical schools. These institutions provide jobs for Montana citizens and also produce the trained professionals needed to maintain the other industries located in the State.

Montana is sparsely populated with a population density of 4.8 persons per square mile in 1970. This compares with 57.7 persons per square mile for the United States in the same year. Montana ranked 43rd in population in 1970.

S4653-1

STATE OF MONTANA



ANNUAL

FINANCIAL

REPORT

For the Fiscal Year
July 1, 1979 — June 30, 1980

David M. Lewis, Director
Department of Administration

Prepared by:
Accounting Division
Terry Cannon, C.P.A.
Administrator

TABLE OF CONTENTS

Introduction

Title Page .....
Table of Contents .....
Letter of Transmittal iii
Purpose and Scope of Report v
Accounting System & Budgetary Control v
Audit of State Finances vi
State Indebtedness vi
Investments vi
Economic Performance vi
Organizational Chart xii

Financial Section

General Purpose Financial Statements (GPFS) 2
Notes to Financial Statements
Supplemental Financial Data:

Fund-Summary schedules
Treasurer's cash accountability account
Long-Term Debt Schedules

Statistical Section 61

STATE OF MONTANA
DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE
MITCHELL BUILDING
HELENA, MONTANA 59601

THOMAS L. JUDGE, Governor

November 13, 1980

The Honorable Thomas L. Judge
Governor of the State of Montana
Capitol Station
Helena, Montana 59601

Dear Governor Judge:

It is my pleasure to transmit to you the Annual Financial Report of the State of Montana, for the year ended June 30, 1980. Included in this report are financial statements presenting the financial position and results of operations of the state for the past year. We are proud of this report which represents another major stride toward reporting in full compliance with the new and stringent standards for governmental financial reporting established by the National Council on Governmental Accounting. This report is presented on the accrual or modified accrual basis, as appropriate, and we believe it clearly presents Montana's financial picture. While short-range prospects for the national economy remain uncertain, I am happy to report the financial condition of our state is strong.

As in the past several years, we closed fiscal year 1980 with a healthy general fund balance. General fund revenues increased $16.8 million to $250.18 million; general fund expenditures decreased $862 thousand to $238 million. The combination of revenues in excess of budget requirements together with savings from authorized expenditure levels permitted us to provide $10 million in tax relief to property owners and an increase in personal income tax exemptions from $800 to $1250 per person.

Again, in 1980, the state received excellent bond ratings from both Moody's Investors Service (AA) and Standard & Poor's Corporation (Aa). These continued favorable ratings are a reflection of the state's record of sound fiscal management. During the year, $19.13 million of general obligation bonds were issued to fund the building program. We also successfully sold $40 million in tax anticipation notes. The notes were issued in September and retired in June.

MONTANA IS AN EQUAL OPPORTUNITY EMPLOYER

The accompanying financial statements show accounting changes made in 1980 in order to conform with generally accepted accounting principles. Also, the state is continuing to develop appropriate accounting records for all general fixed assets.

In these times of concern over the financial health and operation of government at all levels, accounting and financial reporting are more important than ever before. Progress must continue to be made toward complete compliance with applicable standards.

Sincerely,

David M Lewis

David M. Lewis,
Director

DML/emw

Purpose & Scope

Governmental accounting systems exist for the purpose of providing complete and accurate financial information to those responsible for and concerned with government operations. This Financial Report is a by-product of Montana's Statewide Budgeting & Accounting System (SBAS). The information contained herein is designed to provide comprehensive financial and economic data to assist a wide variety of readers in evaluating the operations of the State. Montana's Financial Report is produced annually by the Department of Administration, Accounting Division, and is made available to state taxpayers, administrators, legislators, financial institutions, creditors, and other interested readers on a request basis.

This report is presented in three parts:

THE INTRODUCTION contains the title page, table of contents, transmittal letter, organizational chart and brief descriptions of the accounting system & budgetary control, state indebtedness, investments, economic performance and nature of Legislative audits.

THE FINANCIAL SECTION contains summary, detailed, and comparative financial statements (including the notes thereto) which present the results of financial operations during the fiscal year.

THE STATISTICAL SECTION contains additional information about the State of Montana's operations and economics which the reader will find useful and informative.

Accounting System & Budgetary Control

The financial data included in this report has been prepared from the unaudited records produced by SBAS which are based on computer edited transactions generated by the user agencies. SBAS is a centrally maintained, fully computerized, double-entry accounting system.

The State of Montana uses the modified accrual method of accounting (See Notes to Financial Statements, 2B.). SBAS utilizes a fund basis with 15 separate and distinct funds (See Notes to Financial Statements, 2A. for fund definition and description of the 15 funds).

Most disbursements are authorized by a legislative appropriation. However, some funds which do not require a legislative appropriation are controlled by executive appropriations. An example of the latter would be the Trust & Agency Funds. An appropriation is an authorization to disburse funds; it does not represent available cash. Disbursements may only be made if cash and spending authority are available.

Appropriations are normally established for one year, but may be continued into the next fiscal year when authorized by the Legislature and Office of Budget and Program Planning. Appropriations that are not continued are reverted after June 30. But, the reverted appropriation will remain on the books for one more year

to record proper prior year adjustments. (See Notes to Financial Statements, 2C.).

Audit of State Finances

The Legislative Auditor performs audits of all state agencies on a three-year rotating basis but does not perform an opinion audit for the State of Montana. Selected central operations, including the state treasury function, the state investment function, the central data processing functions for SBAS, the central payroll system, and the central warrant writing system are audited annually. (See Notes to Financial Statements, 2N.).

State Indebtedness

The state has no constitutional or statutory limit on the power to issue obligations or incur indebtedness other than a proviso that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenue. Prior to the adoption of the present constitution in 1972, all indebtedness of the state had to be authorized by referendum. At present, state debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by referendum.

Pursuant to various special bond acts, Montana has authorized and issued bonds for a variety of purposes. The bond acts specify the purpose for which the bonds are to be issued and state the maximum amount of bonds which may be issued. During the last 20 years, bonds have been issued from time to time primarily for construction of state buildings and State University buildings. The State of Montana has never defaulted in the punctual payment of principal and interest on its indebtedness! (See Notes to Financial Statements, 2J.).

Investments

Montana utilizes a central investing program. The Treasury Division of the Department of Administration is the central bank for the state. Unless otherwise provided by law, treasury cash is pooled regardless of the fund from which it is deposited. All monies available for investing are managed and invested by the Board of Investments. The Board annually publishes a very detailed report of all its investment activity, subject to an annual audit. (This report can be referenced should the reader desire more in-depth portfolio knowledge.) (For Investments in Summary Form, See Notes to Financial Statement, 2F.)

Economic Performance

Montana's economy is based primarily on its natural resources and agriculture. Continued economic growth occurred during the 1970's, mainly as a result of expanded coal development and expanding exports of agricultural products to foreign markets.

Table I displays the employment and income indicators for the State of Montana for 1979. A brief discussion of the major industries' performances follows the table.

Table I
Employment and Income - 1979

Industry	Number Employed	Total Labor & Proprietor's Income(1000 of $)
Farm	10,600	$ 97,313
Agricultural Services, forestries, fisheries	2,028	18,162
Mining:		
Oil & Gas	3,349	88,101
Coal	1,346	44,208
Metal	2,155	50,103
Other	883	17,648
Construction	15,613	356,367
Manufacturing	26,847	488,941
Transportation & Public Utility	22,515	489,009
Wholesale Trade	17,420	289,116
Retail Trade	56,199	533,391
Finance, Insurance & Real Estate	13,079	208,117
Services	60,756	705,306
Government & Government Enterprises	76,785	922,073
Proprietors:		
Farm	22,622	131,191
Non-Farm	33,730	(1)
	365,927	4,439,046

Adjustments to derive Personal Income:				
Dividends, interest, rent	1,075,867	Divided by Est.	Per Capita	
Other Adjustments	524,762	Population	Income	
Montana's 1979 Total Personal Income	$6,039,675	786,000	=	$7,684

Footnotes

(1) Non-farm proprietors' income was $444,633,000 in 1979. This amount is allocated to the prime industries above.

Source: Bureau of Economic Analysis, August 1980

Agriculture

Agriculture is Montana's primary industry; wheat and cattle are the major agricultural products.

During the late 1960's and the 1970's, increasing exports resulted in favorable farm prices and raised total cash receipts of agriculture (exclusive of government payments) from $472 million in 1965 to $1.334 billion in 1979. One hundred sixteen million bushels of wheat valued at $411 million (6.4% of U.S. total) were produced in 1979. Montana had a cattle inventory of 2,645,000 head

at the end of 1979, and approximately 1,450,000 head were marketed to bring estimated cash receipts of $700 million in 1979.

Mining (mineral resources)

Montana is rich in mineral deposits, and mineral production ranks second to agriculture as a source of income to the state. The value of mineral production amounted to $686 million in 1979.

A) Crude Petroleum & Natural Gas

Montana's crude petroleum production has been relatively stable during the past decade, averaging 34 million barrels annually. In 1979, production amounted to 30 million barrels. Proven reserves of crude oil on January 1, 1980, were 236 million barrels.

Curtailment of Canadian gas imports, declining domestic reserves, and rapidly rising prices have resulted in stepped up exploration for natural gas in Montana. Instate production of gas has increased about 30% since 1960. Statewide imports have decreased for all utilities by more than 80% since 1973. Proven reserves were 500 trillion cubic feet of natural gas on January 1, 1980, a substantial increase over the 1.1 trillion cubic feet reported on January 1, 1978.

In 1979, 803 development wells were drilled of which 120 were successful oil wells and 235 were successful gas wells.

B) Coal

During the past decade, coal production increased 941% from $3.4 million tons to $32.5 million tons. Correspondingly, wages and salaries rose from $1 million to $29.6 million. Montana has total identified reserves of 176.8 billion tons of sub-bituminous coal and 112.5 billion tons of lignite which comprise 36% and 24%, respectively, of the United States totals. One-half of the coal reserves have less than .5% sulpher. Low sulpher coal is preferred to high sulpher coal in order to meet current emission standards.

C) Metals

Current mining activities include copper, silver, gold, antimony, zinc, lead and tungsten to name a few. Copper is by far the most important metal produced in Montana, increased in significance by its "by-products": gold and silver. Although output levels of copper have been depressed during the 1970's (as they have been all over the United States), most national projections indicate increasing production for the next twenty years. Montana ranks fourth among the states in copper, fourth in silver, and seventh in gold.

Other Natural Resources

A) Forests

Twenty-four percent of the state's land area is forested, representing 2.9% of the forest land in the United States. Approximately 2.8 million cubic meters of timber are cut annually in Montana. The estimated value of lumber production in 1979 was in excess of $326.7 million.

B) Water

Montana is the headwaters for two major U.S. rivers: the Columbia and the Missouri. About 2.47 million acres of the land are irrigated with possibilities to irrigate 10.87 million acres more. The state has initiated a statewide program under the Water Use Act to adjudicate all water rights in Montana, and seeks to include the federal government's and certain Indian tribes' rights in the adjudication. These claims are not expected to have an adverse effect on the Montana economy as a whole.

C) Power

The production of hydroelectric power is an important element in Montana's economy. In 1980, the estimated surplus power generated in Montana was 2.5 billion kilowatt hours.

Privately owned power companies include the Montana Power Company, Montana-Dakota Utilities, and Pacific Power and Light. Publicly owned hydroelectric plants include Fort Peck Dam on the Missouri, Canyon Ferry Dam on the Missouri, Hungry Horse Dam on the south fork of the Flathead, Yellowtail Dam on the Yellowstone, and Libby Dam on the Kootenai.

Manufacturing

Manufacturing is based primarily on the processing of the state's natural resources. The most important industries are production of lumber and wood pulp, smelting and refining of copper, refining of aluminum and petroleum, refining of sugar beets, and the dairy industry.

(A) The wood products industry is the most important, employing 37% to 40% of all manufacturing workers. Products include lumber, plywood, pulp and paper, particle board, house logs, structural timbers, and railroad ties. The recent decline in housing starts has adversely affected employment in the northwest part of the state. However, new housing starts are anticipated to increase with the availability of State Board of Housing's low-interest loans.

(B) Metals processing in FY 80 consisted of two copper plants, located in Anaconda and Great Falls, an aluminum plant in Columbia Falls, and a lead processing plant in East Helena. In September of 1980, Anaconda Copper

Company announced the indefinite suspension of operations of the two copper plants in Anaconda and Great Falls.

(C) The food product industry consists of many small plants across the state involved in processing the agricultural products principally for local consumption.

Wholesale-Retail Trade & Services

Wholesale and retail trades and services have provided more than half of the new nonagriculture wage and salary positions since 1970. Together, they represent 45% of the total nonfarm jobs as of 1977.

Transportation

Four major airlines provide commercial air service in Montana to cities throughout the United States. The state is also served by one commuter airline. Three railroads operate in Montana: the Burlington Northern (BN), the Union Pacific, and the Soo. The Milwaukee phased out operations during 1980. Amtrack, the United States passenger train service, operates over BN lines. Also, numerous trucking companies provide motor freight service from Montana to all parts of the United States. Approximately 13,800 miles of paved highway exist in Montana.

Tourism

More than five million people toured Montana in 1979; their expenditures were estimated at $422 million. The National Forest Service provides eleven forest areas, and the federal and state governments maintain several recreational and historical monument areas. Glacier National Park, Yellowstone National Park, and Montana's trout laden rivers provide additional tourist attractions.

Education

There are nine senior colleges and universities in the state. In addition, there are three community junior colleges and five post-secondary vocational-technical schools. About 27,000 students comprise the total college enrollment. Secondary and elementary schools are administered by county boards of education. For the 1979-80 school year, there were 158,208 elementary and secondary students.

Government

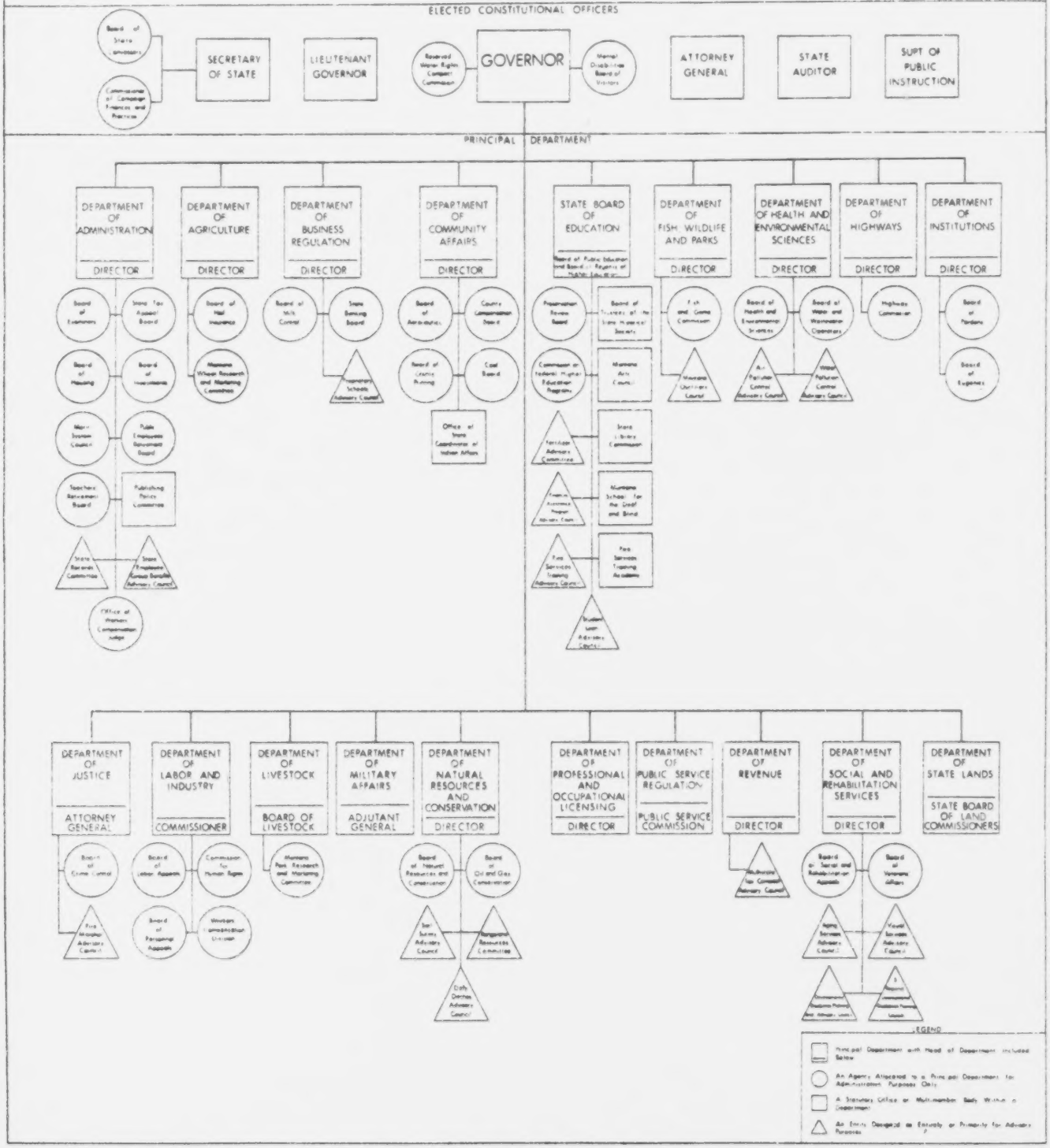
The Constitution of Montana provides that the power of the state government be divided between three branches: the legislative, the executive, and the judicial. Montana government provides services through approximately 14,000 full and part-time employees. State salaries and benefits are determined by the Legislature.

Population Changes

Montana had a population of 694,000 in 1970 and 785,000 in 1980. The growth has increased twice as fast as the nation as a whole. About 30,000 of this growth was from individuals who migrated from other parts of the country, the remaining growth being from natural increases.

STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH

JANUARY 1, 1980



FINANCIAL SECTION

The General Purpose Financial Statements (GPFS) show the fund groups in consolidated form. The consolidated financial statements are presented in three parts:

*BALANCE SHEET

This statement displays the total amount of the State's assets, liabilities and the resultant fund balance as of June 30, 1980. In reviewing this statement, bear in mind that government is not especially concerned with attaining a situation where there is a healthy difference between assets and liabilities. It is sufficient, and often desirable, for government to operate closely within available revenue generated during a year. State assets and liabilities tend to be comparatively insignificant and of a static nature.

*OPERATIONS

As a general rule, it is not meaningful to express the outcome of governmental operations in terms of a profit or loss. Government's effectiveness is indeed measured by far more sophisticated devices. There is a need, however, for a presentation which concerns itself with a magnitude of governmental operations. This is the objective of the Statement of Operations. In most cases, you will find that receipts approximate disbursements. Generally speaking, this condition is desirable. In some cases, disbursements exceed receipts. This is permissible as long as the difference was provided either by an approved loan or a surplus carryover.

*STATEMENT OF CHANGES IN FUND BALANCE

Again, government is not necessarily concerned with the size of its equity, expressed in terms of a fund's balance, as long as a condition of solvency exists. As a hedge against financial uncertainties, it is desirable to operate with a reasonable fund balance from year to year to assure an uninterrupted flow of crucial governmental operations.

FINANCIAL STATEMENTS BY FUND GROUP AS OF JUNE 30, 1980 FOR THE 1979-80 F.Y.	General Fund 01100	Earmarked Revenue Fund 02000	Sinking Fund 03000	Federal and Private Revenue Fund 04000	Federal and Private Grant Clearance Fund 05000	Bond Proceeds and Insurance Clearance Fund 06000
BALANCE SHEET						
ASSETS:						
Cash and Cash Equivalants	$ 51,997,264	$ 56,753,414	$ 3,426,189	$ 13,926,827	$ 36,279,317	$ 2,725,461
Receivables	364,729	1,942,938		39,338,568	13,786,011	4,184
Inter-Entity Loans Receivable	343,000	32,714,507	2,657,553	678,861	500,268	851,419
Investments		10,566,682	2,724,368	329,259	17,647,131	23,964,400
Advances	319,716	72,137		146,700		
Other Assets	6,563	10,293,861		1,862,271	6,400	
TOTAL ASSETS	$ 53,031,272	$112,343,539	$ 8,808,110	$ 56,282,486	$ 68,219,127	$ 27,545,464
LIABILITIES:						
Accrued Liabilities	$ 9,767,082	$ 13,492,787	$ 5,673	$ 13,873,079	$ 9,703,982	$ 746,993
Inter-Entity Loans Payable		495,613		34,133,472	404,000	200,000
Funds Held in Trust	7,057	184			1,712,605	
Deferred Accounts Receivable	89,821	13,026		654,129	8,734,115	
Other Liabilities	949,081	557,213		841,911	24,396,838	21,409,997
TOTAL LIABILITIES	$ 10,813,041	$ 14,558,823	$ 5,673	$ 49,502,591	$ 44,951,540	$ 22,356,990
FUND BALANCE	$ 42,218,231	$ 97,784,716	$ 8,802,437	$ 6,779,895	$ 23,267,587	$ 5,188,474
TOTAL LIABILITIES & FUND BALANCE	$ 53,031,272	$112,343,539	$ 8,808,110	$ 56,282,486	$ 68,219,127	$ 27,545,464
STATEMENT OF OPERATIONS						
RECEIPTS:						
Revenue	$228,829,231	$189,644,433	$ 28,053,324	$204,100,241	$159,188,125	$ 4,523,218
Income	21,353,902	35,886,527		8,872,935	31,203,410	1,551,896
TOTAL RECEIPTS	$250,183,133	$225,530,960	$ 28,053,324	$212,973,176	$190,391,535	$ 6,075,114
DISBURSEMENTS:						
Expenditures	$191,956,408	$213,012,265	$ 3,940,315	$188,175,383	$108,015,533	$ 10,744,012
Withdrawals	46,211,530	11,071,495	23,905,229	10,464,667	75,532,064	1,362,184
TOTAL DISBURSEMENTS	$238,167,938	$224,083,760	$ 27,845,544	$198,640,050	$183,547,597	$ 12,106,196
PRIOR YEAR ADJUSTMENTS:						
Revenue-Income	$ 365,473	$ (2,270,536)	$ 10,485	$ (2,253,037)	$ (1,441,484)	
Expenditure-Withdrawals	(1,229,953)	1,562,670	135,940	270,328	1,017,886	$ (54,112)
TOTAL ADJUSTMENTS	$ 1,595,426	$ (3,833,206)	$ (125,455)	$ (2,523,365)	$ (2,459,370)	$ 54,112
NET OPERATIONS	$ 13,610,621	$ (2,386,006)	$ 82,325	$ 11,809,761	$ 4,384,568	$ (5,976,970)
STATEMENT OF CHANGES IN FUND BALANCE						
FUND BALANCE: July 1, 1979	$ 28,609,926	$ 58,222,671	$ 8,720,112	$ 15,002,663	$ 19,818,207	$ 11,169,891
Net Operations	13,610,621	(2,386,006)	82,325	11,809,761	4,384,568	(5,976,970)
Adjustments	(2,316)	41,948,051 [2]		(20,032,529) [3]	(935,188)	(4,447)
FUND BALANCE: June 30, 1980	$ 42,218,231 [1]	$ 97,784,716	$ 8,802,437	$ 6,779,895	$ 23,267,587	$ 6,188,474

[1] The unrestricted fund balance is $39,821,671 since $2,396,560 is reserved for continuing appropriations

[2] Loans of $32 million to the Federal Highway reimbursement account and $10 million of stockpiled highway maintenance materials were booked against fund balance

[3] Federal cost reimbursement for Federal Highway Act was booked against fund balance.

2a

Revolving Fund	Trust and Legacy Fund
07000	08000
$ 13,413,925	$ 2,333,701
1,457,259	1,761,329
397,581	
1,062,347	194,659,386
242,262	111,110,730
13,650,349	53,332,881
$ 30,223,723	$363,198,027
$ 4,055,342	$ 57,995
950,614	
	4,338,545
7,927	
3,751,675	112,049,909
$ 8,765,558	$116,446,449
$ 21,458,165	$246,751,578
$ 30,223,723	$363,198,027
$ 4,553,518	$ 53,899,957
89,610,354	2,136,748
$ 94,163,872	$ 56,036,705
$ 14,278,209	
86,071,103	5,235,442
$100,349,312	$ 5,235,442
$ (292,033)	$ 1,972,961
182,773	
$ (474,806)	$ 1,972,961
$ (6,660,246)	$ 52,774,224
$ 15,288,678	$193,647,939
(6,660,246)	52,774,224
12,829,733 [4]	329,415
$ 21,458,165	$246,751,578

Agency Fund	University Current Funds	University Student Loan Funds	University Endowment Funds	University Plant Funds
09000	30000	40000	50000	70000
$ 32,287,794	$ 6,300,252	$ 341,719	$ 15,967	$ 2,787,753
15,813,003	1,630,778	12,455,633	22,436	11,378
537,000	6,984,534	264,609		600,200
769,607,990	6,395,619	360,814	5,177,528	8,526,217
323,758	341,532			606,810
11,935,850	3,131,421		953,856	200,789,596
$830,505,395	$ 24,784,136	$ 13,422,775	$ 6,169,787	$213,321,954
$ 2,073,718	$ 10,846,259	$ 2,155	$	$ 16,397,190
2,500,000	7,091,861	435,709	20,000	326,200
324,759,378	204,842			
2,203,049		110		
230,556,502	465,450	(25,002)		109,587,432
$562,092,647	$ 18,608,412	$ 412,972	$ 20,000	$126,310,822
$268,412,748	$ 6,175,724	$ 13,009,803	$ 5,149,787	$ 87,011,132
$830,505,395	$ 24,784,136	$ 13,422,775	$ 6,169,787	$213,321,954
$ 89,020,450	$ 51,809,008	$ 144,399	$ 7,342	$ 1,759,686
186,938,588	82,121,952	196,488	(333)	513,960
$275,959,038	$133,930,960	$ 340,887	$ 7,009	$ 2,273,646
$ 40,991,308	$112,504,072	$ 33,900	$	$ 1,270,207
167,679,110	20,341,273	247,011		12,049,743
$208,670,418	$132,845,345	$ 280,911	$	$ 13,319,950
$ (7,207,962)	$ (36,759)	$ 100	$	$ 643
3,956	130,317			20
$ (7,211,918)	$ (167,076)	$ 100	$	$ 623
$ 60,076,702	$ 918,539	$ 60,076	$ 7,009	$ (11,045,681)
$188,301,070	$ 2,375,078	$ 11,787,463	$ 4,689,768	$161,717,995
60,076,702	918,539	60,076	7,009	(11,045,681)
20,034,976 [5]	2,882,107	1,162,264	1,453,010	(63,661,182) [6]
$268,412,748	$ 6,175,724	$ 13,009,803	$ 6,149,787	$ 87,011,132

[4] Fixed assets booked to SBAS for first time.
[5] PERS booked retirement fund liability
[6] Adjustments to record investment in fixed assets in University Plant Fund - Investment in Plant.

2b

NOTES TO FINANCIAL STATEMENTS

1. CONTENTS OF STATEMENTS AND BASIS OF PRESENTATION

Included in this report are financial statements for all state activities and funds except for the bonding activity of The Board Of Housing, which has a legal existence independent and separate from the state. Board of Housing funds are maintained outside of the state treasury.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by:

(1) Statement 1 and 2 (GAAFR, 1979) by the National Council on Governmental Accounting.
(2) Audits of State and Local Governmental Units (ASLGU, 1974) by the American Institute of CPA's.

Where Montana's Financial Statements for the year ended June 30, 1980 differ from the governmental authoritative pronouncements and GAAP as purported by the AICPA, the full disclosure is so noted within these financial statements and Notes to the Financial Statements.

These general footnotes are supplemented by memorandum footnotes unique to an individual fund which are presented with the respective fund financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2A. Fund definition and the 15 funds utilized by the State:

FUND--An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions or limitations. Those 15 funds utilized by the State of Montana are defined next.

GOVERNMENTAL FUNDS:

GENERAL FUND (011XX) -- consists of all monies deposited in the state treasury which are available to defray the general cost of state government and which do not fall into one of the state funds enumerated herewith.

EARMARKED REVENUE FUND (02XXX) -- consists of the monies from state sources deposited in the state treasury which are to be specifically used for the purpose of defraying costs of a particular activity of state government.

SINKING FUND (03XXX) -- consists of monies deposited in the state treasury for the payment of principal and interest and for the accumulation of reserve for bonded or other long-term indebtedness.

FEDERAL & PRIVATE REVENUE FUND (04XXX) -- consists of all monies deposited in the state treasury from federal and/or private sources, including trust income, which are to be used for the operation of state government.

FEDERAL & PRIVATE GRANT CLEARANCE FUND (05XXX) -- consists of all monies deposited in the state treasury from federal and/or private sources, including trust income, which the state disburses to persons, associations or units of local government.

BOND PROCEEDS AND INSURANCE CLEARANCE FUND (06XXX) -- consists of monies deposited in the state treasury obtained from the sale of bonds, certificates of indebtedness, or similar obligations and, also, monies indemnifying the state for loss or damage of property.

PROPRIETARY FUNDS:

REVOLVING FUND (07XXX) -- consists of monies used to defray reimburseable expenditures and/or supply working capital for enterprise-type operations.

FIDUCIARY FUNDS:

TRUST AND LEGACY FUND (08XXX) -- consists of monies deposited in the state treasury which the state administers as a trustee pursuant to law or a trust agreement restricting the use of money for a specified purpose and prohibiting the expenditure of the principal for a period of at least five years.

AGENCY FUND (09XXX) -- consists of monies deposited in the state treasury which are held first by the state as a custodian or agent and includes, but is not limited to: monies held for the purpose of paying insurance or retirement benefits, monies arising from lost or unclaimed property, and other monies of a similar nature.

UNIVERSITY FUNDS:

CURRENT FUNDS (3XXXX) -- classifies the status and condition of those financial resources allocated to or received by the Montana University System which may be used to pay current operating costs relating to instruction, research, public service and the allied support programs.

STUDENT LOAN FUND (4XXXX) -- classifies the status and condition of those financial resources allocated to or received by the Montana University System which may only be loaned to students, faculty or staff for purposes related to education, organized research, or public services.

ENDOWMENT FUNDS (5XXXX) -- classifies the status and condition of those financial resources received by the Montana University System wherein the principal portion of the amount received is non-expendable but is available for investment, thus producing consumable income. Earnings on endowment fund investments are to be deposited in the appropriated operating fund/sub-fund and expended therefrom pursuant to prevailing administrative requirements.

ANNUITY & LIFE INCOME FUND (6XXXX) -- classifies the status and condition of those financial resources received by the Montana University System under an agreement whereby money or property is made available on the condition that the receiving unit binds itself to pay stipulated amounts periodically to the donor over a specified period of time.

PLANT FUND (7XXXX) -- classifies the status and condition of those financial resources allocated to or received by the Montana University System for capital outlay purposes or to retire long-term debts associated with the construction or acquisition of fixed assets.

AGENCY FUND (8XXXX) -- classifies the status and condition of those financial resources held by the Montana University System acting in the capacity of a custodian or fiscal agent for individual students, faculty, staff and organizations. Amounts to be paid to governmental agencies and private firms as the result of payroll withholdings are to be accounted for in the agency fund.

2B. Basis of Accounting

The revolving fund is maintained on the accrual basis of accounting. (The non-expendable Trust Funds and Pension Trust Funds are accounted for in essentially the same manner as proprietary funds.) Governmental and Expendable Trust Funds are accounted for on the modified accrual basis. That is, receipts are recorded when received in cash, except receipts susceptible to accrual (when material or available and measurable) are accrued at the end of the year. Under the modified accrual basis, disbursements are recorded in the year the valid obligations are created. The following rules apply in order for a disbursement to qualify as a valid obligation:

I. Payroll costs are accrued in the fiscal year in which earned.
II. As a general rule, services must have been rendered during the fiscal year in which the anticipated expenditure is to be accrued.
III. Equipment costs are accrued in the fiscal year in which ordered and budgeted.
IV. Materials and supplies are expensed in the year when received.

2B(1) Receipts - Revenue vs. Income

The financial schedules appearing in this report show total receipts for the state by source for the 1980 Fiscal Year. Receipts include both revenue and income. Revenue, as used in the Statewide Budgeting and Accounting System, identifies prime monies coming into the Treasury Fund structure which can be used to finance those operations for which the State is responsible (an amount received is to be classified as revenue only once). Income, on the other hand, is used to classify all other receipts which are used to finance governmental operations but wherein the amount received has, either directly or indirectly, previously been accounted for as revenue. A breakdown of receipts between revenue and income is shown by column on each schedule. A more detailed analysis of receipts is available upon request.

Revenue and Income are classified by fund, classification, and detailed object. (See Supplemental Financial Data, Page 17.)

2B(2) Disbursements - Expenditure vs. Withdrawal

The financial schedules appearing in this report show the total disbursements for the state by expenditure category and by organizational unit for the 1980 Fiscal Year. Disbursements include both expenditures and withdrawals. Expenditures, as used in the Statewide Budgeting and Accounting System, identify the prime cost of conducting those operations for which the State is responsible (a disbursement is to be classified as an expenditure only

once). Withdrawals, on the other hand, are used to identify all other costs associated with conducting governmental operations wherein the disbursement has already, either directly or indirectly, been accounted for as an expenditure. A breakdown of disbursements between expenditures and withdrawals is shown by column on each schedule. A more detailed analysis of disbursements is available upon request.

Expenditures, expenses, and withdrawals are classified by organizational unit, by fund, by category and detailed object. (See Supplemental Financial Data, Page 17.)

2C. Budgeting & Processing Safeguards

Montana's accounting system (SBAS), is designed to safeguard the state's assets and prevent spending in excess of legislative authority and/or available cash. All disbursements from fund types 01XXX, 02XXX, 04XXX, and 07XXX require an appropriation. All transactions concerning appropriations (legislative and executive) are computer edited for sufficient appropriation. All funds (See Note 2A above) are computer edited for sufficient cash.

Agencies faced with potential overruns of appropriations may seek relief through the budget amendment process. As for negative cash, agencies must request necessary approvals from the Department of Administration to authorize a temporary transfer (loan) of unrestricted moneys from other accounts per 17-2-107(2), MCA, "provided that there is reasonable evidence that the income provided for the remainder of the Fiscal Year will be sufficient to restore the amount so transferred...." No accounting entity may have a negative cash balance at the close of the fiscal year.

2D. Encumbrances

Encumbrances are committments related to unperformed (executory) contracts which will be chargeable to an appropriation and for which a part of the appropriation is reserved. On June 30 of each year, all outstanding encumbrances are reversed. Each agency carefully reviews its encumbrances, and those that represent valid obligations (See Note 2B above) are recorded as accrued liabilities and charged to the operations of the year then ending. Encumbrances that were recorded against continuing appropriations are re-established as encumbrances at the beginning of the next fiscal year.

This encumbrance method of accounting is in conformity with the AICPA's guidelines within "Audits of State & Local Governmental Units", 1974. This is not the method recommended by NCGA's Statement No. 1, March 1979. Both methods have the same effect on the unrestricted fund balance.

2E. Cash And Cash Equivalents

In addition to bank accounts and petty cash, this classification includes cash in U.S. treasury, cash with trustee banks, and cash on hand at fiscal year end.

2F. Investments

In summary form, the state's investments are displayed comparatively on the next page, in two different schedules. The schedules are arrayed by fund and by type. The values of these investments are based on total recordations in applicable general ledger control accounts for each accounting entity. In other words, long-term investments, though valued at amortized cost, are recorded initially at par along with corresponding contra-asset premium or discount accounts, if applicable. The figures shown in the two schedules are net amounts. Short-term investments are recorded and valued at cost. Also, the state has elected the deferral and amortization method of accounting for gains or losses on bond swaps. That is, the unamortized deferred gains or losses are netted against the investment account and written off ratably over the life of either the bond sold or acquired, whichever is less. (This is not in accordance with GAAP.)

SCHEDULE I. (By Fund)

Investment by Fund	Investments 06-30-80	% of Total	Investments 06-30-79	% of Total
Earmarked Revenue	$ 10,566,682	1.0	$ 6,388,185	.7
Sinking	2,724,368	.3	4,212,992	.5
Fed & Pr Revenue	329,259	-	644,528	.1
Fed & Pr Grant	17,647,131	1.7	11,369,448	1.3
BPIC	23,964,400	2.3	10,415,183	1.1
Revolving	1,062,347	.1	68,227	-
Trust & Legacy	194,659,386	18.5	142,783,403	15.7
Agency	563,586,341	53.6	510,789,026	56.3
University Current	6,395,619	.6	5,692,027	.6
Univ Student Loan	360,814		375,225	-
University Endowment	5,177,528	.5	3,715,616	.4
University Plant	8,526,217	.8	8,644,787	1.0
University Agency	1,306,236	.1	1,091,890	.1
Treasurer(1)	214,712,836	20.5	201,873,770	22.2
Totals	$1,051,019,164	100.0	$908,064,307	100.0

	06-30-80	06-30-79
(1) Treasurer's Investments		
Invest. at Cost	$ 88,155,383	$ 80,736,071
Purchased Interest	12,015	12,015
STIP Units at Cost	126,545,438	121,129,684
	$214,712,836	$201,873,770

SCHEDULE II. (By Type)

Type of Investment	Investments 06-30-80	% of Total	Investments 06-30-79	% of Total
Corporate Bonds	$ 435,201,042	46.2	$454,581,474	50.1
Common Stock	34,633,886	3.3	30,270,665	3.3
U.S. Govt. Securities	271,702,077	25.8	246,685,242	27.2
Montana Mtgs.	78,137,364	7.4	72,417,781	8.0
Montana CD's	60,500,000	5.8	66,850,000	7.4
Bankers' Acceptance	54,551,114	5.2	18,128,456	2.0
Commercial Paper	47,345,108	4.5	4,969,446	.5
*University Admin.	10,797,868	1.0	9,616,842	1.0
Other	8,150,705	.8	4,544,401	.5
Totals	$1,051,019,164	100.0	$908,064,307	100.0

*These are amounts held by a trustee bank for a unit of the University System pursuant to the terms of a bond indenture. These amounts are considered to be outside the treasury system.

2G. Inventories

Where utilized, inventories are stated at cost. Though this is not in accordance with generally accepted accounting principles, inventories taken as a whole will reflect a conservative valuation. During these inflationary times, cost will be lower than market.

2H. General Fixed Assets And Depreciation

During the '79-'80 fiscal year the state implemented a centrally maintained subsystem of SBAS known as PAMS (Property Accountability Management System) to manage and account for fixed assets owned by the State of Montana.

Fixed assets input to PAMS are defined as having a relatively permanent nature with a useful life of more than one year. All fixed assets with a unit cost of $200 or over must be input to PAMS.

The General Fixed Asset Fund (Group of Accounts) identifies the total amount of fixed assets purchased by nonenterprise type accounting entities (excluding University units). Nonenterprise University units account for fixed assets in their plant fund. Enterprise University units account for fixed assets in their auxiliary fund. Other enterprise units account for fixed assets in their revolving or trust funds.

Currently 36 agencies are set up on PAMS. The remaining 31 agencies plan to come on to PAMS by June 30, 1981, with the exception of Institutions who have their own property accounting system (SIMS). They will be summarized in PAMS but no target date has been set. Depreciation is accounted for only by agencies with enterprise type operations, or by written approval from the Department of Administration. Straight line depreciation is used. Accumulated depreciation (and depreciation expense) are required only in the SBAS records, not in PAMS.

Since all agencies have not recorded their fixed assets onto PAMS, the General Fixed Asset Fund is not presented in this report.

2I. Pensions & Other Benefits

2I(1). Retirement Systems

The various employee retirement systems are funded by contributions from the state and the employees. The investment portfolios for the retirement systems are maintained by the State Board of Investments. The unfunded liability in the various systems follows on the next page(most current figures available):

June 30, 1978	Unfunded Liability
Public Employees' Retirement System	$150,100,000
Highway Patrol Retirement System	$8,144,931
Game Wardens' Retirement System	$3,587,419
Sheriffs' Retirement System	$2,289,379
Montana Judges' Retirement System	$3,461,701
State Police Retirement System	$25,061,305
June 30, 1979	
Teachers' Retirement System	$354,400,000

The Public Employees' Retirement System is the largest system maintained by the state with approximately 28,960 active members, 9,510 inactive members and 5,940 retired members as of June 30, 1979. The Public Employees' Retirement System is actuarially sound. Contributions at the prescribed rates will meet currently accruing liabilities of the System and amortize the existing liability within the statutory maximum period of forty years.

2I(2). Vacation Leave & Sick Leave

Vacation leave and sick leave are not accrued in the state accounting records but are charged to agency appropriations when the leave is taken. Employees earn vacation leave at various rates depending upon their years of state service. Vacation leave can be accumulated up to twice the amount earned in any one year. Sick leave for full-time employees is earned at the rate of 12 working days for each year of service, with no limit as to the amount that can be accumulated. Employees are entitled, by law, to receive a lump sum payment upon termination equal to 1/4 of the unused sick leave accrued after July 1, 1971. The computation of the value of the unused sick leave is based on the employee's most recent salary rate.

The state's liability for earned vacation leave and sick leave is not included in the state's annual financial report.

2J. Long-Term Debt

The State's liability for bonded debt is not recorded in the Statewide Budgeting and Accounting System. The schedules presented here and in the Supplemental Financial Section (Page 55-57) were prepared from manual records maintained by the Treasury Division, Employment Security Division, and the University System.

SUMMARY OF STATE BONDED DEBT(1)

Category of Issue(2)	Debt Outstanding June 30, 1979	Debt Incurred During Year	Debt Redeemed During Year	Debt Outstanding June 30,1980
State General Oblig.	$ 10,538,428	$ 19,130,000	$ 312,510	$ 29,355,918(4)
State Constr.-Bldg.	17,147,652		2,908,259	14,239,393
Higher Education	46,213,000		2,013,000	44,200,000
State Conservation(3)	13,500		2,000	11,500
TOTAL STATE BONDED DEBT	$ 73,912,580	$ 19,130,000	$ 5,235,769	$ 87,806,811

Footnotes

(1) More detailed analysis of individual issues available from Department of Administration upon request.

(2) Not included is $231,715,000 bonds issued by the Montana Board of Housing. Neither the faith, credit nor the taxing power of the State of Montana or of any political subdivision thereof is pledged to the payment of the principal or of the interest on the bonds. The state is not liable for the bonds and the bonds are not a debt of the state. The Montana Housing Act of 1975 does not provide for any future appropriations by the State Legislature to any fund or account established by the Trust Indenture. The Board has not heretofore issued any bonds or other obligations. Mortgage loans purchased by the Board must either be insured by FHA or guaranteed by VA.

(3) For Water Projects.

(4) Included is a Lease Purchase Contract to purchase a building to house the Department of Social and Rehabilitative Services. The balance on June 30, 1980 was $1,515,918. Payments are made from rental charges paid by the tenant agency. The rental payments are secured by the full faith and credit and taxing powers of the state.

Note 2K to the Financial Statements on the next page.

2K. Construction & Other Commitments

The state finances contracts for current or upcoming construction projects by sale of bonds, matching grants, and other sources of revenue. Expenditures for the construction of new structures and fixtures and major renovations or additions are recorded as capital outlay. Interest on the bonds used to finance construction is currently expensed when paid.

2L. Contingent Liabilities

The state is a defendant in a law suit, filed in June 1978 in state district court, challenging the state's coal severance tax. The plantiffs, four of the five coal mining companies in Montana and several major midwestern utilities, have asserted that the tax is a burden on interstate commerce and is superseded by national energy policies of the federal government; and therefore, is in violation of the Commerce and Supremacy Clauses of the U.S. Constitution. Under the Commerce Clause, the plaintiffs assert that the rate of the tax (approximately 30% of contract sales price) is too high; therefore, imposes a burden on commerce.

On July 17, 1980, the Supreme Court of the State of Montana affirmed a district court decision which granted a motion filed by the state to dismiss the suit on the ground that the complaint fails to state a cause of action. The plaintiffs have announced an intention to seek review of the decision by the United States Supreme Court.

Since the commencement of the suit, the plaintiffs have paid the taxes, amounting to approximately $106,514,309, under protest. The District Court has ruled and the State Supreme Court affirmed that the state is not required to sequester the funds paid under protest and may use the tax proceeds pursuant to the statutory allocations.

The Montana Constitution provides that 50% (25% prior to December 31, 1979) of the tax revenue must be placed into a permanent trust fund for future generations. The principal of that trust fund can only be appropriated upon a three-fourths vote of the legislature. The balance of the constitutional trust is $40,503,038 at June 30, 1980. If the state were to be ordered to repay all or a portion of the taxes paid under protest, the constitutional trust could be appropriated to pay all or a portion of the judgment.

It is the opinion of the Attorney General that if the United States Supreme Court grants certiori review of the case, the matter will continue to be in litigation, either at the district or appellate court level, for some time and that the final outcome of the case may not be determined for several years.

The state is a defendant in numerous other law suits involving negligence, civil rights and tort claims which are either covered under the state's self-insurance plan or by private insurance. The

state has initiated a self-insurance plan which has been in effect for two years whereby certain reserves are established in the budget for each fiscal year to provide for payment of liabilities which may be incurred. With regard to the pending litigation, it is the opinion of the Attorney General that the reserves are adequate and that such pending litigation will not be finally d3etermined so as to result individually or in the aggregate in a final judgment against the state which would materially affect its financial position. Any unpaid judgments are referred to the legislature for consideration in establishing the next biennial budget.

2M. Audit of State Finances

The financial statements in this report have not been audited and no opinion is expressed as to whether or not they present fairly the financial position of the state. The State's Legislative Auditor, who is appointed by and reports to the Legislative Audit Committee, has the responsibility for conducting post audits of the financial affairs of every state agency. Currently, in compliance with the federal revenue sharing law, every state agency is audited at least once every three years. The audits are performed in accordance with generally accepted auditing standards.

2N. Unrecorded Liability

The state did not accrue Medicaid expenditures in accordance with generally accepted accounting principles and state accounting policy. This resulted in an understatement of disbursements of $1.1 million in the general fund and $2.5 million in the federal and private grant clearance fund. However, the disbursement for medicaid expenditures for the 12 month period of June 1979 through May 1980 was recorded in the accounting system.

A one-time appropriation from the Legislature to accrue the Medicaid liability will be requested.

Supplemental Financial Data

*This part of the Financial Section is devoted to statewide fund-summary schedules, Treasurer's accountability, and long-term debt schedules.

*Fund-summary schedules begin on page 18. These schedules provide detail in three distinct areas:

Receipts by Classification (pp 18-29)
Disbursements by Category (pp 30-40) and
Disbursements by Organizational Unit (42-52).

Each of these areas is further sub-divided into three schedules: (1)Fiscal year 1980 summary activity for All Funds, General Fund, University Funds, and Other Funds; (2)Detailed schedules of the University Funds and Other Funds; (3)Comparative statements (comparing FY 1979 and FY 1980) for both: all funds combined and the General Fund by itself.

Immediately following the comparative statements are comments applicable to them. It must be emphasized that comparisons can be very valuable financial analytical tools; however, making a judgement based upon comparative amounts without knowing some background facts, can prove to be misleading. Therefore, we have selected what we think are "significant" differences in the six comparative schedules, and have commented on what caused them. It is important to note that the comments do not purport to explain all differences to the penny; to accomplish this would take a book. Instead, the major causes of the differences are presented. The comments on the comparative statements were prepared from information supplied by the agencies. Further detail, if desired, can be obtained by contacting the Department of Administration or the agency mentioned in the comments. The number to the left of each comment also appears as a cross-reference on the appropriate comparative schedule on the line which it explains.

Also, it is emphasized that the statements are presented in terms of "receipts" and "disbursements". These terms are further sub-divided into "revenue/income" and "expenditures/withdrawals". The informed reader should be aware of the differences in these terms before pursuing the following schedules. (Reference Notes to Financial Statements, 2B(1) and 2B(2), Pages 8 & 9).

*Treasurer's Accountability Account is on page 53 and 54.

*The Schedules of Long-Term Debt include:

Schedule of Total Long-Term Debt	(pp 55)
Schedule of General Long-Term Debt	(pp 56)
Schedule of Long Range Building Long-Term Debt	(pp 57)
Schedule of University Revenue Bonds	(pp 58)
Analysis of Outstanding Debt	(pp 59)

ALL FUNDS

Statement of Receipts by Classification
For Fiscal Year Ended June 30, 1980

Classification	Total All Funds		
	Receipts	Revenue	Income
Taxes			
Vehicle	$ 15,717,601	$ 15,717,601	
Beer, Liquor, Cigarette, Tobacco	25,758,870	25,758,870	
Individual Income	134,987,298	134,987,298	
Corporate Income	45,623,189	45,623,189	
Property	17,200,973	17,051,881	149,092
Fuel	51,089,215	51,089,215	
Oil Production	13,351,575	12,501,575	850,000
Coal Production	75,125,009	74,538,387	586,622
Inheritance	8,537,242	8,537,242	
Other	15,610,001	15,610,001	
Total Taxes	403,000,973	401,415,259	1,585,714
Licenses and Permits	33,485,317	33,464,451	20,866
Service Fees	25,007,623	21,896,486	3,111,137
Investment Earnings	96,810,802	75,066,229	21,744,573
Fines	2,383,294	1,695,151	688,143
Reimbursements	18,161,619	12,116,727	6,044,892
Sale of Documents, Merchandise & Property	36,548,853	20,400,592	16,148,261
Rentals, Leases & Royalties	29,210,854	28,342,757	868,097
Fiduciary & Trust	72,960,819	45,797,556	27,163,263
Grants, Gifts, Bequests & Donations			
Federal Grants	382,109,548	357,542,554	24,566,994
Other Grants	4,839,215	4,520,806	318,409
Gifts, Bequests & Donations	1,096,398	807,467	288,931
Miscellaneous	6,853,760	4,512,034	2,341,726
Income, Collections & Transfers	227,805,690	4,749,895	223,055,795
TOTALS	$1,340,274,765	$1,012,327,964	$327,946,801

General Fund		University Funds		Other Funds	
Revenue	Income	Revenue	Income	Revenue	Income
$	$	$	$	$ 15,717,601	$
12,261,088				13,497,782	
86,391,870				48,595,428	
26,658,417				18,964,772	
978,530	149,092			16,073,351	
				51,089,215	
11,808,579				692,996	850,000
20,222,579				54,315,808	586,622
8,537,242					
8,254,610				7,355,391	
175,112,915	149,092			226,302,344	1,436,622
15,963,119	20,866			17,501,332	
1,578,694	174,613	15,895,725	2,572,738	4,422,067	363,786
20,696,129		1,697,763	1,359,448	52,672,337	20,385,125
777,840				917,311	688,143
8,940,335	1,215			3,176,392	6,043,677
5,576,256	131,822	10,659,276	15,680,860	4,165,060	335,579
151,210	500		14,434	28,191,547	853,163
				45,797,556	27,163,263
		19,156,201	143,552	338,386,353	24,423,442
		4,154,779		366,027	318,409
		357,655	255,390	449,812	33,541
		861,239	1,151,986	3,650,795	1,189,740
32,733	20,875,794	930,454	67,562,612	3,786,708	134,617,389
$228,829,231	$ 21,353,902	$ 53,713,092	$ 88,741,020	$729,785,641	$217,851,879

University Funds

Statement of Receipt by Classification and Fund
For Fiscal Year Ended June 30, 1980

Classification	Total University Fund		Current Fund							
			Unrestricted (Operating)		Restricted		Designated		Auxiliaries	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes										
Vehicle	$	$	$	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco										
Individual Income										
Corporate Income										
Property										
Fuel										
Oil Production										
Coal Production										
Inheritance										
Other										
Total Taxes										
Licenses and Permits										
Service Fees	15,895,725	2,572,738	12,685,215		52,053		966,035	40,637	1,469,319	1,165,932
Investment Earnings	1,697,763	1,359,448	829,306		91,362	12,433	30,634	1,161	162,433	273,538
Fines										
Reimbursements										
Sales of Documents, Merchandise & Property	10,659,276	15,680,860	2,118,856				462,132	3,343,674	8,078,288	12,326,204
Rentals, Leases & Royalties		14,434								
Fiduciary & Trust										
Grants, Gifts,Bequests & Donations										
Federal Grants	19,156,201	143,552	4,195,262		14,818,001	124,951				2,733
Other Grants	4,154,779		253,314		3,901,465					
Gifts,Bequests & Donations	357,655	255,390			335,260	144,300	8,885		11,498	400
Miscellaneous	861,239	1,151,986	284,603		351,055	1,466	22,375	340,005	186,536	505,396
Income, Collections & Transfers	930,454	67,562,612		56,390,561	464,929	1,233,084	28,733	5,852,715	1,457	581,309
TOTALS	$ 53,713,092	$ 88,741,020	$ 20,366,556	$ 56,390,561	$ 20,014,125	$ 1,516,234	$ 1,518,794	$ 9,578,192	$ 9,909,531	$ 14,855,512

University Funds

Statement of Receipt by Classification and Fund
For Fiscal Year Ended June 30, 1980

Classification	Student Loan Fund		Plant Fund					
			Unexpended		Renewal & Replacement		Debt Service	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes								
Vehicle	$	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco								
Individual Income								
Corporate Income								
Property								
Fuel								
Oil Production								
Coal Production								
Inheritance								
Other								
Total Taxes								
Licenses and Permits								
Service Fees			141,161				581,942	1,366,169
Investment Earnings	10,245	83,798	372,022	18,774	64,139	26,464	137,622	943,280
Fines								
Reimbursements								
Sale of Documents, Merchandise & Property						10,982		
Rentals, Leases & Royalties				14,434				
Fiduciary & Trust								
Grants, Gifts,Bequests & Donations								
Federal Grants	120,000	15,868					22,938	
Other Grants								
Gifts, Bequests & Donations		11,586	2,012	99,104				
Miscellaneous	14,155	76,321	2,515	39,434		18,714		170,650
Income, Collections & Transfers		8,915	22,000	1,265,365		89,111	413,335	2,141,552
TOTALS	$ 144,400	$ 196,488	$ 539,710	$ 1,437,111	$ 64,139	$ 145,271	$ 1,155,837	$ 4,621,651

Other Funds

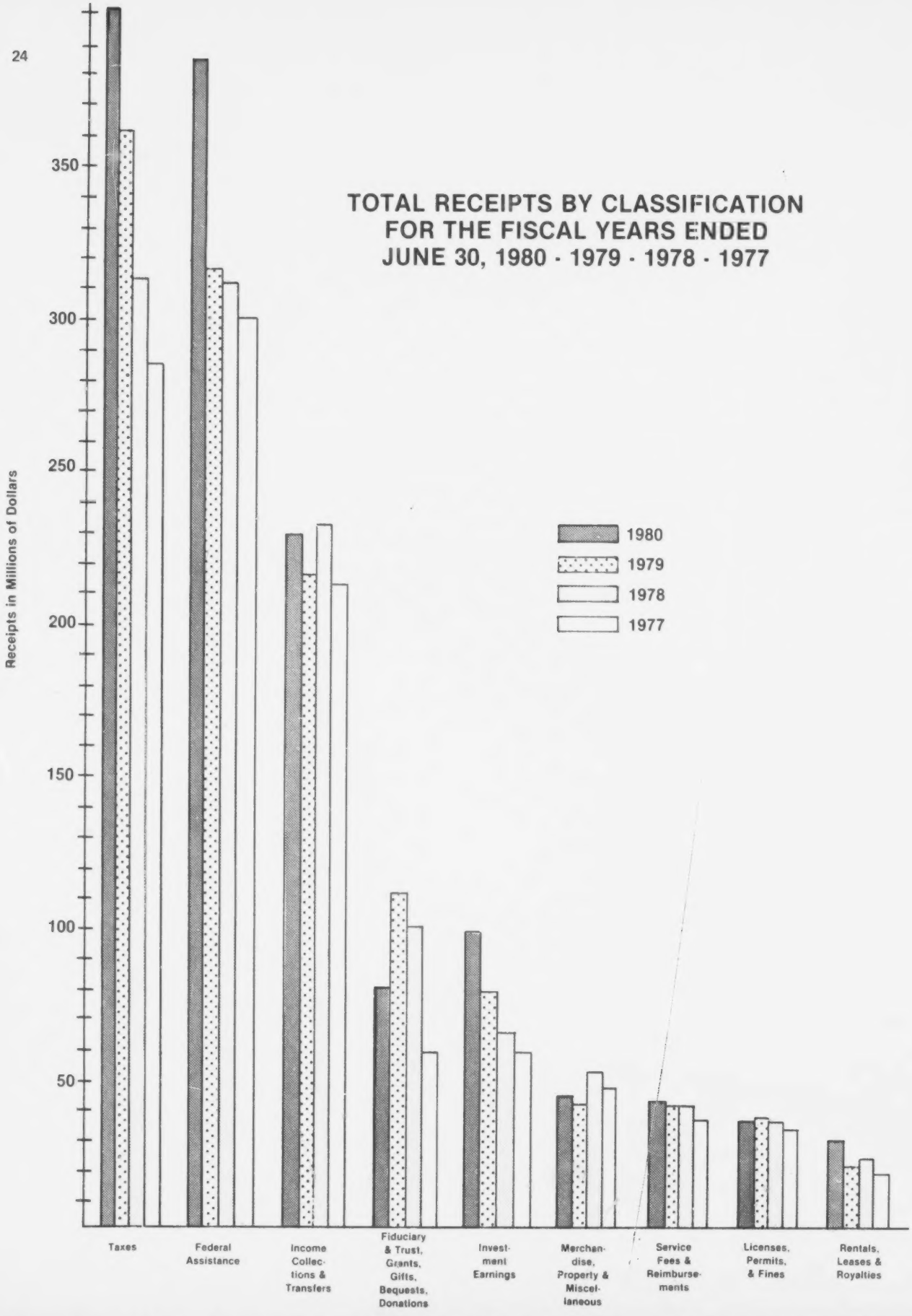
Statement of Receipt by Classification and Fund
For Fiscal Year Ended June 30, 1980

Classification	Total Other Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes										
Vehicle	$ 15,717,601	$	$ 15,717,601	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco	13,497,782		4,481,793		4,565,628					
Individual Income	48,595,428		33,746,825		14,848,603					
Corporate Income	18,964,772		10,413,444		4,581,915				3,969,413	
Property	16,073,351		16,073,351							
Fuel	51,089,215		51,089,215							
Oil Production	692,996	850,000	692,996							850,000
Gas Production	54,315,808	586,622	18,617,981		1,302,518				285,672	586,622
Inheritance										
Other	7,355,391		2,524,589				1,200,480			
Total Taxes	226,302,344	1,436,622	153,357,795		25,298,864		1,200,480		4,255,085	1,436,622
Licenses and Permits	17,501,332		17,459,453							
Service Fees	4,422,067	363,786	3,295,357	17,627					243,030	
Investment Earnings	52,672,337	20,385,125	519,164	603,171	348,590		515,934		5,199,431	20,815
Fines	917,311	688,143	917,311							
Reimbursements	3,176,392	6,043,677	152,665	24,945			1,476,253	762,412	605,241	
Sale of Documents, Merchandise & Property	4,165,060	335,579	447,150	21,020			364,240	2,535		
Rentals, Leases & Royalties	28,191,547	853,163	95,531	1,705			1,080,600		21,127,345	810,537
Fiduciary and Trust	45,797,556	27,163,263	31,963	9,407						
Grants, Gifts, Bequests & Donations										
Federal Grants	338,386,353	24,423,442	8,250,962				197,369,462	5,560,015	128,007,276	18,827,549
Other Grants	366,027	318,409					324,680	292,231	41,347	6,178
Gifts, Bequests & Donations	449,812	33,541	27,528		109,210		44,190	799	257,907	29,375
Miscellaneous	3,650,795	1,189,740	2,689,061	105,328			865,054	2,574	20,750	
Income, Collections & Transfers	3,786,708	134,617,389	2,400,494	35,103,324	245,270		859,347	2,252,369	139,315	10,072,333
TOTALS	$729,785,641	$217,851,879	$189,644,434	$ 35,886,527	$ 26,001,934	$	$204,100,240	$ 8,872,935	$159,896,727	$ 31,203,409

Other Funds

Statement of Receipt by Classification and Fund
For Fiscal Year Ended June 30, 1980

Classification	Bond Proceeds & Ins. Clearing Fund		Revolving Fund		Trust & Legacy Fund		Agency Fund	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes								
Vehicle	$	$	$	$	$	$	$	$
Beer,Liquor,Cigarette,Tobacco	3,018,448		1,431,713					
Individual Income								
Corporate Income								
Property								
Fuel								
Oil Production								
Coal Production					34,109,637			
Inheritance								
Other					3,630,322			
Total Taxes	3,018,448		1,431,713		37,739,959			
Licenses and Permits			41,879					
Service Fees			883,680	27,626				318,533
Investment Earnings	1,468,336		59,232	364,926	7,564,897	1,134,101	36,996,753	18,262,112
Fines								688,143
Reimbursements	33,405	37,614	908,828	5,218,706				
Sale of Documents, Merchandise & Property			935,267	237,518	2,385,145	73,856	33,258	650
Rentals, Leases & Royalties			88,841	8,646	5,799,230			32,275
Fiduciary and Trust					396,074		45,369,519	27,153,856
Grants,Gifts,Bequests & Donations								
Federal Grants				35,878	14,653		4,744,000	
Other Grants		20,000						
Gifts, Bequests & Donations							10,977	3,367
Miscellaneous	3,029	20,365	72,901	91,337				970,136
Income, Collections & Transfers		1,473,918	131,176	83,625,717		928,792	11,106	1,160,936
TOTALS	$ 4,523,218	$ 1,551,897	$ 4,553,517	$ 89,610,354	$ 53,899,958	$ 2,136,749	$ 87,165,613	$ 48,590,008


TOTAL RECEIPTS BY CLASSIFICATION
FOR THE FISCAL YEARS ENDED
JUNE 30, 1980 · 1979 · 1978 · 1977
Receipts in Millions of Dollars
350
300
250
200
150
100
50
1980
1979
1978
1977
Taxes
Federal Assistance
Income Collections & Transfers
Fiduciary & Trust, Grants, Gifts, Bequests, Donations
Investment Earnings
Merchandise, Property & Miscellaneous
Service Fees & Reimbursements
Licenses, Permits, & Fines
Rentals, Leases & Royalties

All Funds

Comparative Statement of Receipts by Classification
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Receipts	% of Total	Receipts	% of Total	Difference	% Difference	% of Total	
Taxes								
Vehicle	$ 15,717,601	1.17	$ 14,827,234	1.26	$ 890,367	6.00	.54	
Beer,Liquor,Cigarette,Tobacco	25,758,870	1.92	23,052,824	1.96	2,706,046	11.74	1.64	
Individual Income	134,987,298	10.07	141,420,747	12.04	(6,433,449)	(4.55)	(3.89)	(1)
Corporate Income	45,623,189	3.40	36,092,417	3.07	9,530,772	26.41	5.77	(2)
Property	17,200,973	1.28	24,422,273	2.08	(7,221,300)	(29.57)	(4.37)	(3)
Fuel	51,089,215	3.81	48,359,428	4.12	2,729,787	5.64	1.65	
Oil Production	13,351,575	1.00	8,852,038	.75	4,499,537	50.83	2.72	(4)
Coal Production	75,125,009	5.61	42,048,828	3.58	33,076,181	78.66	20.01	(5)
Inheritance	8,537,242	.64	6,490,196	.55	2,047,046	31.54	1.24	(6)
Other	15,610,001	1.17	17,136,696	1.46	(1,526,695)	(8.91)	(.92)	
Total Taxes	$403,000,973	30.07	$362,702,681	30.87	$40,298,292	11.11	24.39	
Licenses and Permits	$ 33,485,317	2.50	$ 34,254,346	2.92	$ (769,029)	(2.25)	(.47)	
Service Fees	25,007,623	1.87	23,580,580	2.01	1,427,043	6.05	.86	
Investment Earnings	96,810,802	7.22	78,261,806	6.66	18,548,996	23.70	11.22	(7)
Fines	2,383,294	.18	2,239,053	.19	144,241	6.44	.08	
Reimbursements	18,161,619	1.35	16,403,939	1.40	1,757,680	10.72	1.06	
Sale of Documents,Merchandise & Property	36,548,853	2.73	37,410,150	3.18	(861,297)	(2.30)	(.52)	
Rentals,Leases & Royalties	29,210,854	2.18	20,559,729	1.75	8,651,125	42.08	5.23	(8)
Fiduciary & Trust	72,960,819	5.44	61,820,933	5.26	11,139,886	18.02	6.74	(9)
Grants,Gifts,Bequests & Donations								
Federal Grants	382,109,548	28.51	313,496,103	26.68	68,613,445	21.89	41.51	(10)
Other Grants	4,839,215	.36	4,855,460	.41	(16,245)	(.33)		
Gifts,Bequests & Donations	1,096,398	.08	1,427,329	.12	(330,931)	(23.19)	(.20)	
Miscellaneous	6,853,760	.51	3,782,956	.32	3,070,804	81.17	1.86	(11)
Income,Collections & Transfers	227,805,690	17.00	214,189,627	18.23	13,616,063	6.36	8.24	
TOTAL RECEIPTS	$1,340,274,765	100.00	$1,174,984,692	100.00	$165,290,073	14.07	100.00	
Revenue	$1,012,327,964	75.53	$865,894,070	73.69	$146,433,894	16.91	88.59	
Income	$327,946,801	24.47	$309,090,622	26.31	$18,856,179	6.10	11.41	

General Fund

Comparative Statement of Receipts by Classification
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Receipts	% of Total	Receipts	% of Total	Difference	% Difference	% of Total	
Taxes								
Beer,Liquor,Cigarette,Tobacco	$ 12,261,088	4.90	$ 12,135,102	5.19	$ 125,986	1.04	.75	
Individual Income	86,391,870	34.53	90,509,280	38.79	(4,117,410)	(4.55)	(24.48)	(12)
Corporate Income	26,658,417	10.66	23,098,659	9.90	3,559,758	15.41	21.16	(13)
Property	1,127,622	.45	836,401	.02	291,221	34.82	1.73	
Fuel								
Oil Production	11,808,579	4.72	8,207,677	3.52	3,600,902	43.87	21.41	(14)
Coal Production	20,222,579	8.08	12,806,813	5.49	7,415,766	57.90	44.09	(15)
Inheritance	8,537,242	3.41	6,490,196	2.78	2,047,046	31.54	12.17	(16)
Other	8,254,610	3.30	12,202,158	5.57	(3,947,548)	(32.35)	(23.47)	(17)
Total Taxes	$175,262,007	70.05	$166,286,286	71.26	$ 8,975,721	5.40	53.36	
Licenses and Permits	$ 15,983,985	6.39	$ 14,606,842	6.26	$ 1,377,143	9.43	8.18	
Service Fees	1,753,307	.70	1,624,544	.70	128,763	7.93	.77	
Investment Earnings	20,696,129	8.27	12,714,971	5.45	7,981,158	62.77	47.44	(18)
Fines	777,840	.31	666,810	.29	111,030	16.65	.66	
Reimbursements	8,941,550	3.58	7,821,316	3.35	1,120,234	14.32	6.66	
Sales of Documents,Merchandise & Property	5,708,078	2.28	7,326,224	3.13	(1,618,146)	(22.09)	(9.62)	(19)
Rentals,Leases & Royalties	151,710	.06	480,577	.20	(328,867)	(68.43)	(1.95)	
Miscellaneous			18,323	.01	(18,323)	100.00	(.11)	
Income,Collections & Transfers	20,908,527	8.36	21,814,898	9.35	(906,371)	4.15	(5.39)	
TOTAL RECEIPTS	$250,183,133	100.00	$233,360,791	100.00	$16,822,342	7.21	100.00	
Revenue	$228,829,231	91.46	$211,365,216	90.57	$17,464,015	8.26	103.81	
Income	$ 21,353,902	8.54	$ 21,995,575	9.43	$ (641,673)	(2.92)	(3.81)	

MEMORANDUM TO COMPARATIVE STATEMENTS (RECEIPTS)

All Funds

(1) Individual Income Tax receipts decreased $6.4 million - a decrease of 5%. This is a result of an increase in personal income tax exemption from $600 to $1,050.

(2) Corporate Income Tax receipts increased $9.5 million - an increase of 26%. $7 million of the increase results from an audit of the Anaconda Copper Company.

(3) Property Tax receipts decreased $7.2 million - a decrease of 30%. This decrease is attributed to increased support from other sources (mainly coal tax) that the public schools had in FY 1980. This resulted in decreased levies needed by the public schools.

(4) Oil Production Taxes increased $4.5 million - an increase of 51%. This increase was a result of federal decontrol of domestic oil which allowed prices to increase.

(5) Coal Production Taxes increased $33.1 million - an increase of 79%. Receipts from the coal severence tax increased because of increases in the contract sales price of coal resulting from the renegotiation of contracts.

(6) Inheritance Tax receipts increased $2 million - an increase of 32%. $1.6 million of this increase was a result of a one-time transfer to the general fund from an contested inheritance tax trust fund. This is a result of an accounting policy change, one of depositing contested inheritance taxes directly to the General Fund instead of holding them in a trust account until final settlement.

(7) Investment Earnings receipts increased $18.5 million - an increase of 24%. Two factors contributed to this increase:

(a) The total portfolio compared at June 30, 1979 and 1980, showed an increase of 16%.
(b) The average yield went from 8.07% in FY 1979 to 9.43% in FY 1980, an increase of 17%.

For a more indepth explanation of changes in investment income, The Board of Investment's annual report should be consulted.

(8) Rentals, Leases and Royalties receipts increased $8.7 million - an increase of 42%. $6.2 million of the increase was from increased lease activity on

school trust lands. $1.7 million was in increased royalties in the common school permanent trust and legacy account.

(9) Fiduciary and trust receipts increased $11.1 million - an increase of 18%. $8.2 million of the increase was in the Employment Security Division as increased employer unemployment contributions. $3 million of the increase was in the Division of Workers Compensation in the state compensation insurance receipts as more businesses became covered under state compensation insurance.

(10) Federal Grant receipts increased $68.6 million - an increase of 22%. $56 million was in the Department of Highways as increased funding for the inter-state highway system. $9.6 million was in the Department of Social & Rehabilitative Services for public welfare funding. $4 million was in the Office of Superintendent of Public Instruction for distribution to public schools.

(11) Miscellaneous receipts increased $3.1 million - an increase of 81%. $1.9 million of the increase was in the Department of Highways in the form of non-federal receipts for services performed for other agencies.

General Fund

(12) Individual Income Tax receipts decreased $4.1 million - a decrease of 5%. See Note 1 for the explanation of this decrease.

(13) Corporate Income Tax receipts increased $3.6 million - an increase of 15%. This increase is a direct result of the general fund's share of the $7 million audit settlement with The Anaconda Copper Company.

(14) Oil Production Tax receipts increased $3.6 million - an increase of 44%. See note 4 for explanation of the increase.

(15) Coal Production Tax receipts increased $7.4 million - an increase of 58%. The general fund receives 12% of the coal severence tax. Because of an increase in the price of coal, the coal severence tax has increased significantly, resulting in increased collections in the general fund.

(16) Inheritance Tax receipts increased $2 million - an increase of 32%. See note 6 for the explanation of this increase.

(17) Other Tax receipts decreased $4 million - a decrease of 32%. In FY 1979 a one-time deposit of $6.3 million was made into this account as a result of a favorable court judgement on the disposition of contractors gross receipts tax. No like deposit was made in FY 1980 resulting in a decrease for this category.

(18) Investment earnings increased $8 million - an increase of 63%. Increased interest rates and the investment of tax anticipation note funds are responsible for most of the increase.

(19) Sale of Documents, Merchandise & Property receipts decreased $1.6 million - a decrease of 22%. Liquor receipts decreased $1.7 million as a result of decreased liquor sales.

All Funds

Statement of Disbursements by Category and Object
For Fiscal Year Ended June 30, 1980

Category	Total All Funds Disbursements	Expenditures	Withdrawals
Personal Services			
Salaries and Wages	$220,506,739	$202,166,436	$ 18,340,303
Employee Benefits	38,511,168	35,450,095	3,061,073
Total Personal Services	**259,017,907**	**237,616,531**	**21,401,376**
Operating Expenses			
Contracted Services	151,712,505	146,012,880	5,699,625
Supplies and Materials	24,742,875	15,666,306	9,076,569
Communications	10,495,840	7,137,806	3,358,034
Travel	12,594,773	11,606,163	988,610
Rent	14,956,981	13,299,834	1,657,147
Utilities	8,230,350	6,397,155	1,833,195
Repair and Maintenance	15,035,829	11,590,937	3,444,892
Other	56,075,346	11,486,754	44,588,592
Total Operating Expenses	**293,844,499**	**223,197,835**	**70,646,664**
Equipment	**12,468,187**	**9,048,605**	**3,419,582**
Capital Outlay			
Land	8,006,506	7,881,108	125,398
Buildings	18,610,287	14,049,597	4,560,690
Other Improvements	1,555,820	1,525,819	30,001
Total Capital Outlay	**28,172,613**	**23,456,524**	**4,716,089**
Local Assistance			
State Sources	132,516,667	130,432,370	2,084,297
Federal Sources	9,460,390		9,460,390
Other Sources	73,223		73,223
Total Local Assistance	**142,050,280**	**130,432,370**	**11,617,910**
Grants			
State Sources	35,690,998	34,594,537	1,096,461
Federal Sources	83,458,673	47,199,960	36,258,713
Other Sources	2,296,374	2,296,374	
Total Grants	**121,446,045**	**84,090,871**	**37,355,174**
Benefits and Claims			
To Individuals	54,971,275	33,850,323	21,120,952
State Sources	18,621,904	11,233,497	7,388,407
Federal Sources	5,201,621	5,201,621	
Other Sources	97,608,319	96,977,861	630,458
Total Benefits and Claims	**176,403,119**	**147,263,302**	**29,139,817**
Transfers	**170,117,562**	**8,372,222**	**161,745,340**
Debt Service	**10,416,659**	**6,755,850**	**3,660,809**
TOTALS	**$1,213,936,871**	**$870,234,110**	**$343,702,761**

General Fund		University Funds		Other Funds	
Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
$ 55,055,710	$	$ 60,768,418	$ 11,316,941	$ 86,342,308	$ 7,023,362
10,676,565		8,975,014	1,687,248	15,798,516	1,373,825
65,732,275		**69,743,432**	**13,004,189**	**102,140,824**	**8,397,187**
8,570,671		5,625,765	2,403,084	131,816,444	3,296,541
4,131,765		3,629,485	4,902,197	7,905,056	4,174,372
1,734,651		1,979,979	787,638	3,423,176	2,570,396
2,033,563		2,754,151	746,317	6,818,449	242,293
1,717,543		519,029	364,239	11,063,262	1,292,908
2,050,124		2,783,980	1,487,601	1,563,051	345,594
775,526		1,787,912	1,606,311	9,027,499	1,838,581
716,687		5,069,619	5,448,523	5,700,448	39,140,069
21,730,530		**24,149,920**	**17,745,910**	**177,317,385**	**52,900,754**
1,089,552		**3,778,999**	**1,538,302**	**4,180,054**	**1,881,280**
		60,748	104,582	7,820,360	20,816
		152,144	2,019,980	13,897,453	2,540,710
53,694		20,910	2,260	1,451,215	27,741
53,694		**233,802**	**2,126,822**	**23,169,028**	**2,589,267**
38,961,178				91,471,192	2,084,297
					9,460,390
					73,223
38,961,178				**91,471,192**	**11,617,910**
16,344,763				18,249,774	1,096,461
206,004				46,993,956	36,258,713
310,857				1,985,517	
16,861,624				**67,229,247**	**37,355,174**
11,599,006				22,251,317	21,120,952
10,974,549				258,948	7,388,407
1,342				5,200,279	
22,257,006				74,720,855	630,458
44,831,903				**102,431,399**	**29,139,817**
644,113	**46,211,530**	**450,526**	**3,403,920**	**7,277,583**	**112,129,890**
2,051,540		**763,995**	**3,423,886**	**3,940,315**	**236,923**
$191,956,409	**$ 46,211,530**	**$ 99,120,674**	**$ 41,243,029**	**$579,157,027**	**$256,248,202**

University Funds

Statement of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1980

Category	Total University Funds		Current Fund							
			Unrestricted (Operating)		Restricted		Designated		Auxiliaries	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services										
Salaries and Wages	$ 60,768,418	$ 11,316,941	$ 49,453,081	$	$ 11,251,664	$ 23,445	$	$ 4,586,718	$	$ 6,704,025
Employee Benefits	8,975,014	1,687,248	7,740,324		1,227,160	3,026		744,346		939,819
Total Personal Services	69,743,432	13,004,189	57,193,405		12,478,824	26,471		5,331,064		7,643,844
Operating Expenses										
Contracted Services	5,625,765	2,403,084	3,787,433		1,835,616	17,633		387,342		1,934,892
Supplies and Materials	3,629,485	4,902,197	2,518,033		1,110,193	12,064		814,262		4,014,191
Communications	1,979,979	787,638	1,817,339		160,899	2,656		386,905		397,646
Travel	2,754,151	746,317	1,451,729		1,301,318	16,509		312,872		412,249
Rent	519,029	364,239	320,547		198,482	670		195,339		165,225
Utilities	2,723,980	1,487,601	2,773,439		10,541	2,698		10,035		1,473,519
Repair and Maintenance	1,787,912	1,606,311	1,655,479		128,663	3,731		474,611		931,773
Other	5,099,619	5,148,523	1,993,925		3,047,171	384,754		1,492,420		3,325,520
Total Operating Expenses	24,149,920	17,745,910	16,317,924		7,792,883	440,715		4,073,794		12,655,015
Equipment	3,778,999	1,538,302	2,651,792		1,076,397	35,562		926,568		268,171
Capital Outlay										
Land	60,748	104,582	10,748							
Buildings	152,144	2,019,980	9,284							193,137
Other Improvements	20,910	2,260								
Total Capital Outlay	233,802	2,126,822	20,032							193,137
Transfers	450,526	3,403,920	182,268		103,042	3,882		52,898		2,042,745
Debt Service	763,995	3,423,886								8,036
TOTAL DISBURSEMENTS	$ 99,120,674	$ 41,243,029	$ 76,365,421	$	$ 21,451,146	$ 506,630	$	$ 10,384,324	$	$ 22,810,948

University Funds

Statement of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1980

Category	Student Loan Fund		Plant Fund					
			Unexpended		Renewal & Replacement		Debt Service	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services								
Salaries and Wages	$	$	$ 63,673	$ 2,096	$	$ 657	$	$
Employee Benefits			7,530	57				
Total Personal Services			71,203	2,153		657		
Operating Expenses								
Contracted Services			2,716	14,943		34,324		13,945
Supplies and Materials			1,259	10,020		51,652		8
Communications			1,741	360				71
Travel			1,104	4,687				
Rent				905		2,100		
Utilities						1,349		
Repair and Maintenance			3,770	23,737		163,272		9,187
Other	27,985	235,932	538	2,636		4,937		2,316
Total Operating Expenses	27,985	235,932	11,128	57,293		257,634		25,527
Equipment			47,614	126,719	3,196	149,624		31,658
Capital Outlay								
Land			50,000	100,582		4,000		
Buildings			142,860	1,787,122		39,721		
Other Improvements			20,910	2,260				
Total Capital Outlay			213,770	1,889,964		43,721		
Transfers	5,915	5,079	117,301	20,077	5,000	16,909	37,000	1,262,330
Debt Service			2,009				761,986	3,415,850
TOTAL DISBURSEMENTS	$ 33,900	$ 241,011	$ 463,025	$ 2,096,206	$ 8,196	$ 468,545	$ 798,986	$ 4,735,365

Other Funds

Statement of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1980

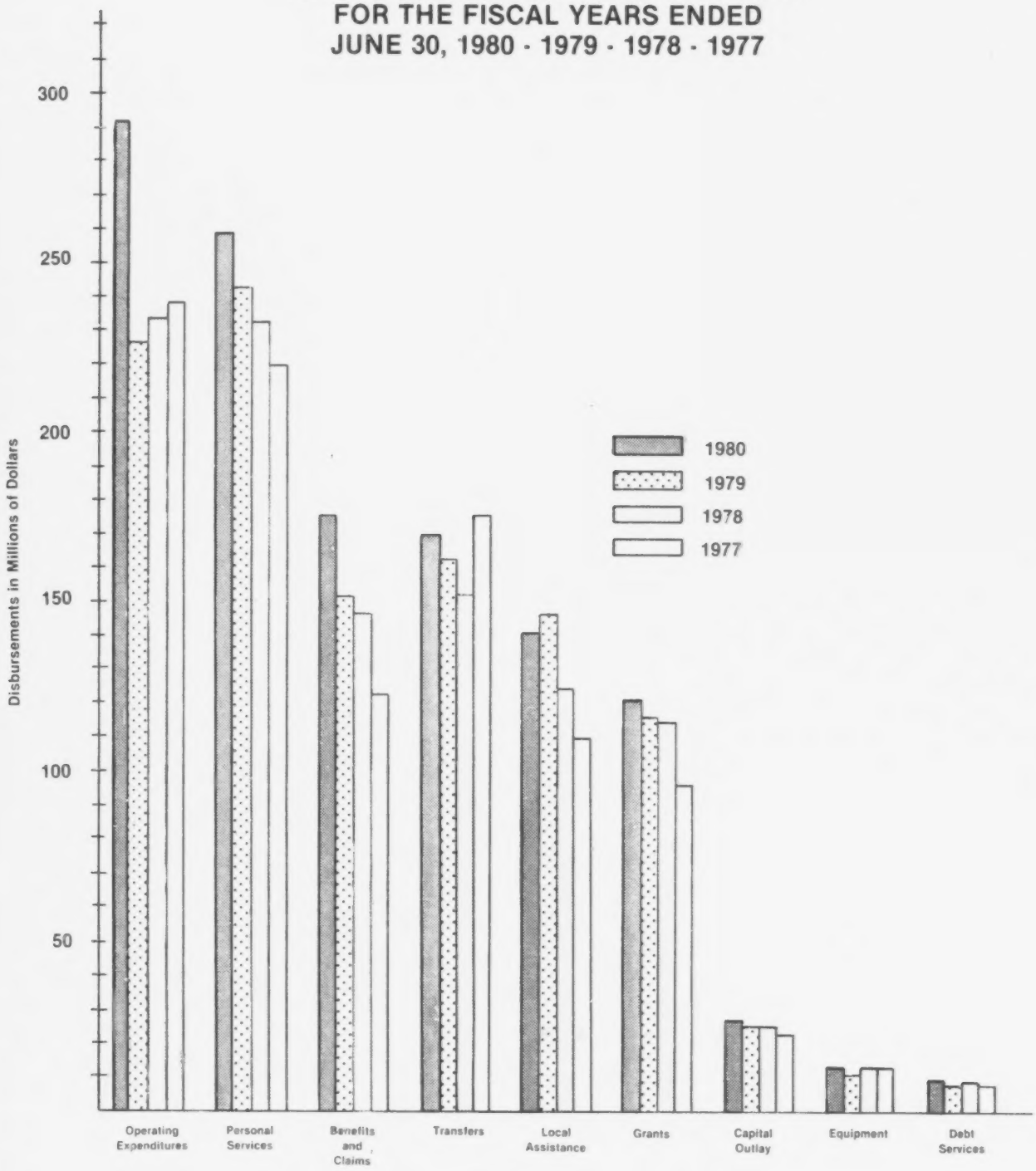
Category	Total Other Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services										
Salaries and Wages	$ 86,342,308	$ 7,023,362	$ 33,620,478	$ 163,391	$	$	$ 46,096,358	$ 184,794	$	$
Employee Benefits	15,798,516	1,373,825	6,553,896	31,251			7,960,733	32,532		
Total Personal Services	**102,140,824**	**8,397,187**	**40,174,374**	**194,642**			**54,057,091**	**217,326**		
Operating Expenses										
Contracted Services	131,816,444	3,296,541	25,434,018	26,061			105,663,362	103,520	82	148,828
Supplies and Materials	7,905,056	4,174,372	3,066,777	15,318			4,684,957	73,400	288	
Communications	3,423,176	2,570,396	1,786,545	7,568			1,268,713	3,326		
Travel	6,818,449	242,293	3,699,654	6,261			2,983,433	14,583		
Rent	11,063,262	1,292,908	8,532,538	7,696			1,761,649	1,840	6	
Utilities	1,563,051	345,594	1,021,139				388,217			
Repair and Maintenance	9,027,499	1,838,581	8,415,732	21,855			523,553	121	167	
Other	5,700,448	39,140,069	4,635,460	1,301			443,696	3,726		967
Total Operating Expenses	**177,317,385**	**52,900,754**	**56,591,863**	**86,550**			**117,717,580**	**200,516**	**543**	**149,795**
Equipment	**4,180,054**	**1,881,280**	**2,420,628**	**2,602**			**1,651,158**	**181**		
Capital Outlay										
Land	7,820,360	20,816	2,873,840				4,931,848			
Buildings	13,897,453	2,540,710	1,109,953				2,218,582			
Other Improvements	1,451,215	27,741	214,446				1,236,769			
Total Capital Outlay	**23,169,028**	**2,589,267**	**4,198,239**				**8,387,199**			
Local Assistance										
State Sources	91,471,192	2,084,297	85,221,944	1,218,247					4,817,538	850,000
Federal Sources		9,460,390								9,460,390
Other Sources		73,223								73,223
Total Local Assistance	**91,471,192**	**11,617,910**	**85,221,944**	**1,218,247**					**4,817,538**	**10,383,613**
Grants										
State Sources	18,249,774	1,096,461	17,656,955				531,880			23,082
Federal Sources	46,993,956	16,258,713	405,595				4,965,531	68,097	41,582,231	36,190,616
Other Sources	1,985,517		583,648						1,401,869	
Total Grants	**67,229,247**	**37,355,174**	**18,646,198**				**5,497,411**	**68,097**	**42,984,200**	**36,213,698**
Benefits and Claims										
To Individuals	22,251,317	21,120,952	10,446				39,313		20,201,459	
State Sources	258,948	7,388,407	258,948							
Federal Sources	5,200,279						63,386		199,730	
Other Sources	74,720,855	630,458							38,881,991	630,458
Total Benefits & Claims	**102,431,399**	**29,139,817**	**269,394**				**102,699**		**59,283,180**	**630,458**
Transfers	**7,277,583**	**112,129,890**	**5,489,625**	**9,569,454**		**21,616,916**	**762,245**	**9,978,547**	**926,753**	**28,154,500**
Debt Service	**3,940,315**	**236,923**			**3,940,315**	**236,923**				
TOTAL DISBURSEMENTS	**$579,157,027**	**$256,248,202**	**$213,012,265**	**$ 11,071,495**	**$ 3,940,315**	**$ 21,853,839**	**$188,175,383**	**$ 10,464,667**	**$108,012,214**	**$ 75,532,064**

Other Funds

Statement of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1980

Category	Bond Proceeds & Insurance Clearance Fund		Revolving Fund		Trust & Legacy Fund		Agency Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services								
Salaries and Wages	$ 2,724	$	$ 6,622,748	$ 6,675,177	$	$	$	$
Employee Benefits			1,283,887	1,310,042				
Total Personal Services	2,724		7,906,635	7,985,219				
Operating Expenses								
Contracted Services	40,569	57,531	678,240	2,736,954			173	223,647
Supplies and Materials	6,041		142,959	4,085,154			4,034	
Communications	24		367,044	2,559,512			850	
Travel	5,363		129,848	221,449			151	
Rent			768,848	1,283,372			221	
Utilities			153,695	343,377				2,217
Repair and Maintenance	30,267		57,780	1,815,166				1,439
Other	802		587,507	38,505,256			32,983	628,819
Total Operating Expenses	83,066	57,531	2,885,921	51,550,240			38,412	856,122
Equipment	1,213		106,997	1,878,497			58	
Capital Outlay								
Land	14,672			20,816				
Buildings	10,540,899		28,019	2,540,710				
Other Improvements				27,741				
Total Capital Outlay	10,555,571		28,019	2,589,267				
Local Assistance								
State Sources			1,431,710					16,050
Federal Sources								
Other Sources								
Total Local Assistance			1,431,710					16,050
Grants								
State Sources	60,939	1,073,379						
Federal Sources	40,499							
Other Sources								
Total Grants	101,438	1,073,379						
Benefits and Claims								
To Individuals			1,819,804				180,295	21,120,952
State Sources				6,878,614				509,793
Federal Sources			163				4,937,000	
Other Sources							35,838,864	
Total Benefits & Claims			1,819,967	6,878,614			40,956,159	21,630,745
Transfers		231,274	98,960	15,189,266		5,235,442		22,154,491
Debt Service								
TOTAL DISBURSEMENTS	$ 10,744,012	$ 1,362,184	$ 14,278,209	$ 86,071,103	$	$ 5,235,442	$ 40,994,629	$ 44,657,408

TOTAL DISBURSEMENTS BY CATEGORY FOR THE FISCAL YEARS ENDED JUNE 30, 1980 - 1979 - 1978 - 1977



All Funds

Comparative Statement of Disbursements by Category and Object
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total	
Personal Services								
Salaries and Wages	$220,506,739	18.17	$209,732,977	19.34	$10,773,762	5.14	8.34	
Employee Benefits	38,511,168	3.17	31,804,741	2.93	6,706,427	21.09	5.19	(20)
Total Personal Services	259,017,907	21.34	241,537,718	22.27	17,480,189	7.24	13.53	
Operating Expenses								
Contracted Services	151,712,505	12.50	104,231,246	9.61	47,481,259	45.55	36.76	(21)
Supplies and Materials	24,742,875	2.04	23,513,098	2.17	1,229,777	5.23	.95	
Communications	10,495,840	.86	9,032,195	.83	1,463,645	16.20	1.13	
Travel	12,594,773	1.04	11,220,237	1.03	1,374,536	12.25	1.06	
Rent	14,956,981	1.23	12,936,147	1.19	2,020,834	15.62	1.56	
Utilities	8,230,350	.68	6,951,621	.64	1,278,729	18.39	1.00	
Repairs and Maintenance	15,035,829	1.24	12,483,273	1.15	2,552,556	20.45	1.98	(22)
Other	56,075,346	4.62	43,541,175	4.01	12,534,171	28.79	9.70	(23)
Total Operating Expenses	293,844,499	24.21	223,908,992	20.63	69,935,507	31.23	54.14	
Equipment	12,468,187	1.03	11,642,407	1.07	825,780	7.09	.64	
Capital Outlay								
Land	8,006,506	.66	7,867,545	.73	138,961	1.77	.11	
Buildings	18,610,287	1.53	16,878,578	1.56	1,731,709	10.26	1.34	
Other Improvements	1,555,820	.13	838,141	.08	717,679	85.63	.55	
Total Capital Outlay	28,172,613	2.32	25,584,264	2.37	2,588,349	10.12	2.00	
Local Assistance								
State Sources	132,516,667	10.92	136,987,624	12.63	(4,470,957)	(3.26)	(3.46)	
Federal Sources	9,460,390	.78	8,260,390	.76	1,200,000	14.53	.93	
Other Sources	73,223	.01	49,251	.01	23,972	48.67	.02	
Total Local Assistance	142,050,280	11.71	145,297,265	13.40	(3,246,985)	2.23	(2.51)	
Grants								
State Sources	35,690,998	2.94	28,881,179	2.66	6,809,819	23.58	5.27	(24)
Federal Sources	83,458,673	6.87	84,613,538	7.80	(1,154,865)	(1.36)	(.89)	
Other Sources	2,296,374	.19	2,651,674	.24	(355,300)	(13.40)	(.28)	
Total Grants	121,446,045	10.00	116,146,391	10.70	5,299,654	4.56	4.10	
Benefits and Claims								
To Individuals	54,971,275	4.53	47,330,994	4.36	7,640,281	16.14	5.91	(25)
State Sources	18,621,904	1.53	13,742,399	1.27	4,879,505	35.51	3.78	(26)
Federal Sources	5,201,621	.43	5,965,236	.55	(763,615)	(12.80)	(.59)	
Other Sources	97,608,319	8.03	84,844,077	7.82	12,764,242	15.04	9.88	(27)
Total Benefits & Claims	176,403,119	14.52	151,882,706	14.00	24,520,413	16.14	18.98	
Transfers	170,117,562	14.01	161,288,195	14.87	8,829,367	5.47	6.83	
Debt Service	10,416,659	.86	7,465,487	.69	2,951,172	39.53	2.29	(28)
TOTAL DISBURSEMENTS	$1,213,936,871	100.00	$1,084,753,425	100.00	$129,183,446	11.91	100.00	
Expenditures	$870,234,110	71.69	$788,770,366	72.71	$81,463,744	10.33	63.06	
Withdrawals	$343,702,761	28.31	$295,983,059	27.79	$47,719,702	16.12	36.94	

General Fund

Comparative Statement of Disbursements by Category and Object
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total	
Personal Services								
Salaries and Wages	$ 55,055,710	23.12	$ 57,320,717	23.98	$ (2,265,007)	(3.95)	(262.88)	(29)
Employee Benefits	10,676,565	4.48	9,487,117	3.97	1,189,448	12.54	138.05	(30)
Total Personal Services	65,732,275	27.60	66,807,834	27.95	(1,075,559)	(1.61)	(124.83)	
Operating Expenses								
Contracted Services	8,570,671	3.60	8,494,596	3.55	76,075	.90	8.83	
Supplies and Materials	4,131,765	1.73	4,665,422	1.95	(533,657)	(11.44)	(61.94)	
Communications	1,734,651	.73	1,931,726	.81	(197,075)	(10.20)	(22.87)	
Travel	2,033,563	.85	2,229,921	.93	(196,358)	(8.81)	(22.79)	
Rent	1,717,543	.72	1,715,007	.72	2,536	.15	.29	
Utilities	2,050,124	.86	1,896,910	.79	153,214	8.08	17.78	
Repairs and Maintenance	775,526	.33	1,179,230	.49	(403,704)	(34.24)	(46.85)	
Other	716,687	.30	770,748	.33	(54,061)	(7.01)	(6.27)	
Total Operating Expenses	21,730,530	9.12	22,883,560	9.57	(1,153,030)	(5.04)	(133.82)	
Equipment	1,089,552	.46	1,858,942	.78	(769,390)	(41.39)	(89.30)	
Capital Outlay								
Land			225		(225)	(100.00)	(.03)	
Buildings			106,815	.05	(106,815)	(100.00)	(12.40)	
Other Improvements	53,694	.02	10,195		43,499	426.67	5.05	
Total Capital Outlay	53,694	.02	117,235	.05	(63,541)	(54.20)	(7.38)	
Local Assistance								
State Sources	38,961,178	16.36	30,028,189	12.56	8,932,989	29.75	1036.77	(31)
Federal Sources								
Other Sources								
Total Local Assistance	38,961,178	16.36	30,028,189	12.56	8,932,989	29.75	1036.77	
Grants								
State Sources	16,344,763	6.86	14,503,577	6.07	1,841,186	12.70	213.69	
Federal Sources	206,004	.09	340,434	.14	(134,430)	(39.49)	(15.60)	
Other Sources	310,857	.13	92,264	.04	218,593	236.92	25.37	
Total Grants	16,861,624	7.08	14,936,275	6.25	1,925,349	12.89	223.46	
Benefits and Claims								
To Individuals	11,599,006	4.87	11,457,078	4.79	141,928	1.24	16.47	
State Sources	10,974,549	4.61	12,462,643	5.21	(1,488,094)	(11.94)	(172.71)	
Federal Sources	1,342				1,342	100.00	.16	
Other Sources	22,257,006	9.35	21,263,629	8.90	993,377	4.67	115.29	
Total Benefits & Claims	44,831,903	18.83	45,183,350	18.90	(351,447)	(.78)	(40.79)	
Transfers	46,855,643	19.67	57,214,174	23.94	(10,358,531)	(18.11)	(1202.21)	(32)
Debt Service	2,051,540	.86			2,051,540	100.00	238.10	(33)
TOTAL DISBURSEMENTS	$238,167,939	100.00	$239,029,559	100.00	$ (861,620)	(.36)	(100.00)	
Expenditures	$191,956,409	80.60	$192,979,702	80.73	$ (1,023,293)	(.53)	(118.76)	
Withdrawals	$ 46,211,530	19.40	$ 46,049,857	19.27	$ 161,673	.35	18.76	

MEMORANDUM TO COMPARATIVE STATEMENTS
DISBURSEMENTS BY CATEGORY AND OBJECT

All Funds

(20) Employee Benefits disbursements increased $6.7 million - an increase of 21%. Two of the larger increases were:

(a) $3.7 million in group insurance, mainly from a $20/employee per month increase in the state's share of medical premiums.
(b) $700 thousand increase in contributions by the state to the public employees retirement system.

(21) Contracted Service disbursements increased $47.5 million - an increase of 46%. Contractor payments for highway construction increased $47.7 million due to increased work on the inter-state system as a result of larger participation from the federal government.

(22) Repairs and Maintenance disbursements increased $2.6 million - an increase of 20%. $1.8 million of the increase was in the Department of Highways as a result of higher prices for repair parts and supplies, including $690 thousand for gravel stockpiles.

(23) Operating Expenses - Other disbursements increased $12.5 million - an increase of 29%. $11.2 million of the increase was in Department of Highways as they recorded for the first time a depreciation expense in the accounting system.

(24) Grants from State Sources disbursements increased $6.8 million - an increase of 24%. $4.6 million of the increase was in the Department of Community Affairs in increased Coal Board Grants to local governments. $1.1 million of the increase is in the Department of Natural Resources water resources and planning program in grants for water improvement projects.

(25) Benefits and Claims to individuals disbursements increased $7.6 million - an increase of 16%. $3.7 million of the increase was in the Department of Social and Rehabilitation Services for medical assistance payments made directly to individuals. $3.7 million of the increase was in the Division of Workers Compensation due to increased growth and activity in the state compensation insurance fund.

(26) Benefits and Claims from State Sources disbursements increased $4.8 million - an increase of 36%. The Department of Administration increased disbursements in this category by $6.8 million as a result of recording group benefit payments to vendors in the accounting system. This activity was formerly handled by the State Auditor's Office Central Payroll Division as a reduction of a liability account. The Department of Agriculture decreased payments in their hail insurance unit by $800 thousand as a result of reduced claims for crop damage.

(27) Benefits and Claims - Other Sources disbursements increased $12.8 million - an increase of 15%. $6.2 million of the increase was in the Department of Social and Rehabilitation Services for medical assistance payments made indirectly to individuals. $6.4 million was in the Employment Security Division as increased payments in unemployment insurance benefits.

(28) Debt Service disbursements increased $3 million - an increase of 40%. $2.1 million of the increase was due to interest paid on "tax and revenue anticipation notes" which matured in June 1980.

General Fund

(29) See note 46 on page 51 for the explanation of these decreases.

(30) Employee Benefit disbursements increased $1 million - an increase of 13%. The major factor in the increase was a $20 per month increase in health insurance benefits for each employee.

(31) Local Assistance, State Sources disbursements increased $9 million - an increase of 30%. This increase is due entirely to an accounting change in the Office of Public Instruction. $10 million of disbursements that were classified as transfers in FY79 were classified as local assistance payments in FY80.

(32) Transfer disbursements decreased by $10.4 million - a decrease of 18%. $6.1 million of the decrease is in the Department of Administration's long range building fund. In FY79 the Department had increased transfers by $6.1 million as a result of a one-time transfer from the general fund in accordance with House Bill 144. No like transfer was made in FY80. The Office of Superintendent of Public Instruction decreased transfer disbursements by $10 million as a result of reclassifying payments in their distribution to public schools program as local assistance payment instead of transfers. The above two decreases were partially offset by a $6 million increase in the Office of Commissioner of Higher Education as appropriated transfers from that office to the university units.

(33) Debt Service disbursements increased $2.1 million - an increase of 100%. This increase was due to interest paid on "tax and revenue anticipation notes" which matured in June 1980.

All Funds

Statement of Disbursements by Organizational Unit
For Fiscal Year Ended June 30, 1980

BRANCH Principal Units	Total All Funds Disbursements	 Expenditures	 Withdrawals
LEGISLATIVE	$ 4,175,635	$ 3,852,456	$ 323,179
JUDICIAL	2,459,132	2,459,132	
EXECUTIVE			
Elected Officials:			
Auditor	14,213,999	4,647,701	9,566,298
Governor's Office	2,807,021	2,483,911	323,110
Secretary of State	679,195	679,195	
Supt of Public Instruction	170,027,534	160,242,449	9,785,085
Department of:			
Administration:			
Construction	16,932,325	13,823,429	3,108,896
Other	78,703,890	18,126,259	60,577,631
Agriculture	3,394,609	2,962,531	432,078
Business Regulation	1,397,236	1,222,121	175,115
Community Affairs	29,089,905	12,570,748	16,519,157
Education:			
University System	201,749,566	105,043,336	96,706,230
Other	5,520,401	5,358,850	161,551
Fish, Wildlife & Parks	20,227,737	20,227,737	
Health & Environmental Sciences	17,770,713	17,592,202	178,511
Highways	203,736,623	184,283,904	19,452,719
Institutions	50,133,444	48,721,624	1,411,820
Justice	16,086,095	16,076,688	9,407
Labor & Industry	113,101,999	70,424,713	42,677,286
Livestock	3,077,829	2,997,829	80,000
Military Affairs	3,517,606	1,380,813	2,136,793
Natural Resources & Conservation	15,692,781	14,376,999	1,315,782
Prof. & Occupational Licensing	1,057,251	1,057,251	
Public Service Regulation	1,037,906	1,037,906	
Revenue	84,412,552	34,095,390	50,317,162
Social & Rehabilitation Services	121,706,972	121,564,202	142,770
State Lands	31,226,915	2,924,734	28,302,181
TOTALS	**$1,213,936,871**	**$870,234,110**	**$343,702,761**

General Fund		University Funds		Other Funds	
Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
$ 3,496,936	$	$	$	$ 355,520	$ 323,179
2,366,736				92,396	
1,363,814				3,283,887	9,566,298
1,864,556				619,355	323,110
679,195					
48,295,343	76,122			111,947,106	9,708,963
	265,000			13,823,429	2,843,896
6,385,676				11,740,583	60,577,631
780,718				2,181,813	432,078
973,356				248,765	175,115
1,363,196				11,207,552	16,519,157
4,940,346	45,870,408	99,120,674	41,243,029	982,316	9,592,793
2,197,282				3,161,568	161,551
515,485				19,712,252	
2,669,126				14,923,076	178,511
				184,283,904	19,452,719
41,598,279				7,123,345	1,411,820
1,867,808				14,208,880	9,407
1,553,069				68,871,644	42,677,286
466,330				2,531,499	80,000
789,504				591,309	2,136,793
6,557,046				7,819,953	1,315,782
				1,057,251	
965,479				72,427	
20,460,428				13,634,962	50,317,162
38,610,480				82,953,722	142,770
1,196,221				1,728,513	28,302,181
$191,956,409	$ 46,211,530	$ 99,120,674	$ 41,243,029	$579,157,027	$256,248,202

University Funds

Statement of Disbursements by Organizational Unit
For Fiscal Year Ended June 30, 1980

	Total University Funds		Current Fund							
			Unrestricted (Operating)		Restricted		Designated		Auxiliaries	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
University of Montana	$ 28,495,647	$ 16,776,359	$ 22,412,892	$	$ 6,048,855	$ 311,015	$	$ 3,552,537	$	$ 10,272,651
Montana State University	36,264,349	15,358,326	26,292,443		9,971,906			4,493,203		7,416,322
Montana College of Mineral Science and Technology	7,220,359	1,081,481	4,961,421		2,022,004	100,155		155,531		667,874
Eastern Montana College	10,507,637	4,850,084	7,984,555		1,975,610	11,585		1,148,319		2,674,898
Northern Montana College	3,958,981	1,567,504	3,439,493		306,632	72,899		438,607		1,048,102
Western Montana College	2,625,410	1,007,667	2,097,925		254,540	10,976		71,235		731,101
Agricultural Experiment Station	6,373,319	158,199	6,286,821		86,498			81,483		
Cooperative Extension Service	3,401,771	443,409	2,616,670		785,101			443,409		
Forestry Experiment Station	273,201		273,201							
TOTALS	$ 99,120,674	$ 41,243,029	$ 76,365,421	$	$ 21,451,146	$ 506,630	$	$ 10,384,324	$	$ 22,810,948

University Funds

Statement of Disbursements by Organizational Unit

For Fiscal Year Ended June 30, 1980

	Student Loan Fund		Plant Fund					
			Unexpended		Renewal & Replacement		Debt Service	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
University of Montana	$ 33,900	$ 79	$	$ 80,033	$	$ 95,709	$	$ 2,464,335
Montana State University		166,122		912,340		368,363		2,001,976
Montana College of Mineral Science and Technology		5,114	21,419	91,807			215,515	61,000
Eastern Montana College		48,150	215,770	967,132	8,196		323,506	
Northern Montana College		7,896	8,282				204,574	
Western Montana College		13,650	217,554				55,391	180,705
Agricultural Experiment Station				44,894		4,473		27,349
Cooperative Extension Service								
Forestry Experiment Station								
TOTALS	**$ 33,900**	**$ 241,011**	**$ 463,025**	**$ 2,096,206**	**$ 8,196**	**$ 468,545**	**$ 798,986**	**$ 4,735,365**

Other Funds

Statement of Disbursements by Organizational Unit
For Fiscal Year Ended June 30, 1980

BRANCH Principal Units	Total Other Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
LEGISLATIVE	$ 355,520	$ 323,179	$ 345,184	$	$	$	$ 3,018	$	$	$
JUDICIAL	92,396						92,396			
EXECUTIVE										
Elected Officials:										
Auditor	3,283,887	9,566,298	3,283,887							9,460,390
Governor's Office	619,355	323,110					372,518	168,769	246,837	154,341
Secretary of State										
Supt of Public Instruction	111,947,106	9,708,963	85,716,347	11,915			2,289,357	9,670,548	23,021,074	
Department of:										
Administration										
Construction	13,823,429	2,843,896	1,006,865				2,192,465	308,000		
Other	11,740,583	60,577,631	8,215,942	203,794	3,288,052	21,504,702	171,589	52,388		
Agriculture	2,181,813	432,078	590,340				1,591,473			
Business Regulation	248,765	175,115	248,765	175,115						
Community Affairs	11,207,552	16,519,157	9,123,518				1,897,183	28,554		16,063,443
Education:										
University System	982,316	9,592,793	632,174	9,349,828			350,142	68,097		174,868
Other	3,161,568	161,551	446,670				1,474,275		867,136	161,551
Fish, Wildlife & Parks	19,712,252		11,899,141				6,368,758		1,248,503	
Health & Environmental Sciences	14,923,076	178,511	1,228,435				13,654,142			17,500
Highways	184,283,904	19,452,719	65,333,739		406,993	230,000	118,543,172			
Institutions	7,123,345	1,411,820	3,373,383				3,663,291	168,311		
Justice	14,208,880	9,407	10,413,036				1,135,016		2,445,689	
Labor & Industry	68,871,644	42,577,286	3,458,284		245,270		14,114,456		10,277,770	18,203,937
Livestock	2,531,499	80,000	2,479,444	80,000			52,055			
Military Affairs	591,309	2,136,793					591,309			2,136,793
Natural Resources & Conserv.	7,819,953	1,[illegible]5,782	3,085,515			2,641	4,673,499			239,763
Prof. & Occupational Licensing	1,057,251		1,057,251							
Public Service Regulation	72,427						72,427			
Revenue	13,634,962	50,317,162	769,020	1,250,843		116,496	877,187		4,817,538	5,709,969
Social & Rehabilitation Services	82,953,722	142,770					13,501,259		64,158,875	142,770
State Lands	1,728,513	28,302,181	305,325				494,396		928,792	23,066,739
TOTALS	$579,157,027	$256,248,202	$213,012,265	$ 11,071,495	$ 3,940,315	$ 21,853,839	$188,175,383	$ 10,464,667	$108,012,214	$ 75,532,064

Other Funds

Statement of Disbursements by Organizational Unit
For Fiscal Year Ended June 30, 1980

BRANCH Principal Units	Bond Proceeds and Insurance Clearing Fund		Revolving Fund		Trust & Legacy		Agency Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
LEGISLATIVE	$ 7,318	$	$	$ 323,179	$	$	$	$
JUDICIAL								
EXECUTIVE								
Elected Officials:								
Auditor				105,908				
Governor's Office								
Secretary of State								
Supt of Public Instruction			920,328	26,500				
Department of:								
Administration:								
Construction	10,596,080		28,019	2,535,896				
Other		288,806	65,000	19,564,676				18,963,265
Agriculture								432,078
Business Regulation								
Community Affairs			186,851	427,160				
Education:								
University System								
Other	700		338,611				34,176	
Fish, Wildlife & Parks			195,850					
Health & Environmental Sciences	40,499			161,011				
Highways				19,027,480				195,239
Institutions	38,476		43,901	1,243,509			4,294	
Justice			215,139					9,407
Labor & Industry				352,116			40,775,864	24,121,233
Livestock								
Military Affairs								
Natural Resources & Conserv.	60,939	1,073,378						
Prof. & Occupational Licensing								
Public Service Regulation								
Revenue			7,171,217	42,303,668				936,186
Social & Rehabilitation Serv.			5,113,293				180,295	
State Lands						5,235,442		
TOTALS	$ 10,744,012	$ 1,362,184	$ 14,278,209	$ 86,071,103	$	$ 5,235,442	$ 40,994,629	$ 44,657,408

All Funds

Comparative Statement of Disbursements by Organizational Unit
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total	
LEGISLATIVE	$ 4,175,635	.34	$ 5,716,956	.53	$ (1,541,321)	(26.96)	(1.18)	(31)
JUDICIAL	2,459,132	.20	2,258,603	.21	200,529	8.88	.15	
EXECUTIVE								
Elected Officials:								
Auditor	14,213,989	1.17	12,013,182	1.11	2,200,817	18.32	1.68	(35)
Governor's Office	2,807,021	.23	3,285,367	.30	(478,346)	(14.56)	(.37)	
Secretary of State	679,195	.06	664,239	.06	14,956	2.25	.01	
Supt. of Public Instruction	170,027,534	13.98	180,121,165	16.61	(10,093,631)	(5.60)	(7.69)	
Department of:								
Administration:								
Construction	16,932,325	1.39	21,075,118	1.94	(4,142,793)	(19.66)	(3.16)	(36)
Other	78,703,890	6.64	64,951,420	5.99	13,752,470	21.17	12.04	(37)
Agriculture	3,394,609	.28	3,808,957	.35	(414,348)	(10.88)	(.32)	
Business Regulation	1,397,236	.12	1,139,783	.11	257,453	22.59	.20	
Community Affairs	29,089,905	2.39	18,878,115	1.74	10,211,790	54.09	7.78	(38)
Education:								
University System	201,749,566	16.59	188,854,122	17.41	12,895,444	6.83	9.83	
Other	5,520,401	.46	4,815,651	.44	704,750	14.63	.54	
Fish, Wildlife & Parks	20,227,737	1.66	17,152,252	1.58	3,075,485	17.93	2.34	(39)
Health & Environ. Sciences	17,770,713	1.46	15,979,933	1.47	1,790,780	11.21	1.37	
Highways	203,736,623	16.76	137,334,913	12.66	66,401,710	48.35	50.60	(40)
Institutions	50,133,444	4.12	46,800,208	4.31	3,333,236	7.12	2.54	
Justice	16,086,095	1.32	14,588,003	1.35	1,498,092	10.27	1.14	
Labor & Industry	113,101,989	9.30	111,708,082	10.30	1,393,907	1.25	1.06	
Livestock	3,077,829	.25	2,756,963	.26	320,866	11.64	.25	
Military Affairs	3,517,606	.29	5,539,409	.51	(2,021,803)	(36.50)	(1.54)	(41)
Natural Resources & Conserv	15,692,781	1.29	11,813,844	1.09	3,878,937	32.83	2.96	(42)
Prof. & Occup. Licensing	1,057,251	.09	1,021,229	.09	36,022	3.53	.03	
Public Service Regulation	1,037,906	.09	843,395	.07	194,511	23.06	.15	
Revenue	84,412,552	6.94	72,913,982	6.72	11,498,570	15.77	8.76	(43)
Social & Rehab Services	121,706,972	10.01	110,695,028	10.21	11,011,944	9.95	8.39	
State Lands	31,226,915	2.57	28,023,496	2.58	3,203,419	11.43	2.44	
TOTAL DISBURSEMENTS	$1,213,936,871	100.00	$1,084,753,425	100.00	$129,183,446	11.91	100.00	
Expenditures	$870,234,110	71.69	$788,770,366	72.71	$81,463,744	10.33	63.06	
Withdrawals	$343,702,761	28.31	$295,983,059	27.29	$47,719,702	16.12	36.94	

General Fund

Comparative Statement of Disbursements by Organizational Unit
For the Fiscal Years Ended June 30, 1980 and June 30, 1979

	1980 Fiscal Year		1979 Fiscal Year		1980 Over (Under) 1979			
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total	
LEGISLATIVE	$ 3,496,936	1.47	$ 5,393,415	2.26	$ (1,896,479)	(35.00)	(220.11)	(44)
JUDICIAL	2,366,736	.99	2,100,174	.88	266,562	12.69	30.94	
EXECUTIVE								
Elected Officials:								
Auditor	1,363,814	.57	1,005,704	.42	358,110	35.61	41.56	
Governor's Office	1,864,556	.78	1,885,851	.79	(21,295)	(1.13)	(2.47)	
Secretary of State	679,195	.29	664,239	.27	14,956	2.25	1.74	
Supt of Public Instruction	48,371,465	20.31	46,902,270	19.62	1,469,195	3.13	170.52	
Department of:								
Administration:								
Construction	265,000	.11	6,140,000	2.57	(5,875,000)	(95.68)	(681.86)	(45)
Other	6,385,676	2.68	5,919,144	2.48	466,532	7.88	54.15	
Agriculture	780,718	.33	774,739	.32	5,979	.77	.69	
Business Regulation	973,356	.41	879,333	.37	94,023	10.69	10.91	
Community Affairs	1,363,196	.57	1,611,092	.67	(247,896)	(15.39)	(28.77)	
Education:								
University System	50,810,754	21.33	45,629,455	19.09	5,181,299	11.36	601.34	
Other	2,197,282	.92	2,010,724	.84	186,558	9.28	21.65	
Fish, Wildlife & Parks	515,485	.21	484,620	.20	30,865	6.37	3.58	
Health & Environ Sciences	2,669,126	1.12	2,837,191	1.19	(168,065)	(5.92)	(19.51)	
Highways								
Institutions	41,598,279	17.47	39,573,485	16.56	2,024,794	5.12	235.00	
Justice	1,867,808	.79	5,798,201	2.43	(3,930,393)	(67.79)	(456.16)	(46)
Labor & Industry	1,553,069	.65	1,581,945	.66	(28,876)	(1.83)	(3.35)	
Livestock	466,330	.20	542,660	.23	(76,330)	(14.07)	(8.86)	(47)
Military Affairs	789,504	.33	2,106,268	.88	(1,316,764)	(62.04)	(152.82)	(48)
Natural Resources & Conserv	6,557,046	2.75	5,349,037	2.24	1,208,009	22.58	140.20	
Prof. & Occup. Licensing								
Public Service Regulation	965,479	.41	835,762	.35	129,717	15.52	15.06	
Revenue	20,460,428	8.60	20,373,561	8.52	86,867	.43	10.08	
Social & Rehab Services	38,610,480	16.21	37,527,157	15.70	1,083,323	2.89	125.73	
State Lands	1,196,221	.50	1,103,532	.46	92,689	8.40	10.76	
TOTAL DISBURSEMENTS	$238,167,939	100.00	$239,029,559	100.00	$ (861,620)	(.36)	(100.00)	
Expenditures	$191,956,409	80.60	$192,979,702	80.73	$ (1,023,293)	(.53)	(118.76)	
Withdrawals	$ 46,211,530	19.40	$ 46,049,857	19.27	$ 161,673	.35	18.76	

MEMORANDUM TO COMPARATIVE STATEMENTS
DISBURSEMENTS BY ORGANIZATIONAL UNIT

All Funds

(34) The Legislative Branch disbursements decreased $1.5 million - a decrease of 27%. The State Legislature did not meet in FY80, thus decreasing disbursements in the House and Senate by $1.9 million.

(35) The State Auditor's Office disbursements increased $2.2 million - an increase of 18%. $1.7 million of the increase was in the apportionment of forest reserve funds to the counties. $400 thousand of the increase was in increased distributions to the police and firemen's retirement fund.

(36) The Department of Administration-Construction disbursements decreased $4.1 million - a decrease of 20%. In FY79 a one-time transfer was made from the general fund to the long-range building program of $6.1 million. A like transfer was not authorized for FY80.

(37) The Department of Administration - Other disbursements - increased $13.8 million - an increase of 21%. $6.8 million of the increase is a result of an accounting change. See note 24 on page 39 for an explanation of that change. $2.1 million of the increase was interest paid on "tax and revenue anticipation notes" issued in FY80 that were due in June 1980. $5.1 million was in the Board of Investments as transfers of interest income from the Short Term Investment Pool to the agency accounts.

(38) The Department of Community Affairs disbursements increased $10.2 million-an increase of 54%. $4.5 million of the increase was in increased grants to local governments by the Coal Board. $5.2 million of the increase was in the community services division in the form of increased grants.

(39) The Department of Fish, Wildlife & Parks disbursements increased $3.1 million - an increase of 18%. $1.7 million of the increase was in increased purchases of land by the Department.

(40) The Department of Highways disbursements increased $66.4 million -an increase of 48%. $49 million of the increase was in contractor payments due to increased construction activity on the inter-state highway system. $11 million of the increase was in depreciation expense that was recorded in the accounting system for the first time in FY80. $4 million of the increase was in operating expenses as a result of a 10-15% increase in maintenance costs due to inflation.

(41) The Department of Military Affairs disbursements decreased $2 million - a decrease of 37%. The Adjutant General's Office had increased expenditures of $1.4 million in the general fund for FY79 as a result of a strike at three State institutions. No support payments of this type were made for FY80, thus a $1.4 million decrease occurred in the Adjutant General's

Office. The Disaster and Emergency Services Division decreased disbursements of federal grants by $700 thousand. In FY79 there were severe floods in Montana. In FY80 that condition did not exist, therefore, fewer federal grants were awarded.

(42) The Department of Natural Resources & Conservation disbursements increased $3.9 million-an increase of 33%. $2.4 million of the increase was in the water resources and planning program ($1.1 million increase in grants and $1.3 million increase in support and capital outlay disbursements). $1.2 million of the increase was in the forestry program in the form of increased operating expense for forest fire support.

(43) The Department of Revenue's disbursements increased $11.5 - an increase of 16%. The net results of a combination of four factors account for most of the increase:

(A) The Liquor Division had a net increase of $9.7 million in disbursement. Operating expenses, mainly in the form of liquor purchases decreased by $4 million. This decrease was offset by a $13.5 million increase in local assistance and transfer payments to the counties.
(B) Corporation tax division increased local assistance payments by $3.9 million in accordance with HB 150.
(C) Miscellaneous Tax Division decreased transfer payments by $5.9 million. In FY79 $6.3 million in contractors gross receipts tax was released by a favorable court ruling and was transferred to the general fund. There was only $800 thousand transferred in FY80.
(D) Transfers to the general fund of $2.1 million ($1.7 million in inheritance tax and $400 thousand in unclaimed property) as a result of an accounting policy change.

General Fund:

(44) The Legislative Branch disbursements decreased $1.9 million - a decrease of 35% (See note 34).

(45) The Department of Administration - Construction disbursement decreased $5.9 million - a decrease of 96% (See note 36).

(46) The Department of Justice disbursements decreased $3.9 million - a decrease of 68%. The funding source for eleven of eighteen programs within the Department of Justice was switched from the general fund to the earmarked revenue fund by the 1979 Legislature. This accounts for all of the decrease.

(47) The Department of Military Affairs decreased disbursements by $1.3 million - a decrease of 62% (See note 41).

(48) The Department of Natural Resources and Conservation disbursements increased $1.2 million - an increase of 23%. This increase was in the Department's forestry program in the form of increased operating expenses for forest fire support.

TREASURER'S ACCOUNT

The State Treasurer serves as the central bank for all State agencies and the accounting entities administered by them. The financial transactions relating to the Treasurer's central banking function are recorded in a separate accounting entity known as the Treasurer's Cash Accountability Account.

In operating the State Treasury System, agencies have two options: (a) deposit directly with the State Treasurer, or (b) deposit in an approved commercial depository to the credit of the State Treasurer. In either case, all money deposited with the State Treasurer finds its way first into a commercial demand bank account secured by collateral deposits. (As required by law, unemployment insurance collections flow through the State's account with the United States Treasurer. See "Cash With U.S. Treasury" on the next page.)

As a matter of information, about 99% of the financial transactions recorded in the Treasurer's Cash Accountability Account are made automatically through utilization of computer programs. To explain the process very briefly, whenever an agency submits a transaction which either increases or decreases the cash in treasury for a particular accounting entity, a computer program is triggered which causes a given paralleling entry to be made in the Treasurer's records. The summation of these entries produces one General Ledger which provides subsidiary ledgers and grand total amounts for cash in demand accounts, cash in treasury, outstanding warrants, investments of general treasury cash,* and others.

To the maximum extent possible, money held by the Treasurer is invested. As far as general treasury cash* is concerned there is, of course, no need or attempt made to determine whose money is being invested. All interest earned on general treasury cash is credited to the General Fund Account. (Some money is invested specifically in behalf of an accounting entity or other than the General Fund Accounts as permitted by statutory law. These investments are recorded in the specific accounting entities.)

As with most States, the initial disbursement of funds is made by warrant which, in essence, is a sight draft on the State Treasurer. The total of warrants not yet presented to the State Treasurer for payment is identified as "Accountability for Outstanding Warrants".

* General Treasury Cash is defined as a combination of the "float" created in the daily operations of the total treasury function and the General Fund surplus (created by the excess of receipts over disbursements in prior years).

TREASURER'S CASH ACCOUNTABILITY ACCOUNT

Statement of Cash Position

For Fiscal Year Ended June 30, 1980

RESOURCES:		
Cash:		$ 15,812,990
Investments:		
STIP Units at Cost	$126,545,438	
Other Investments at Cost	88,167,398	
Cash With U.S. Treasury	21,453,687	
TOTAL INVESTMENTS		236,166,523
Other Resources:		
Purchased Bonds and Coupon Clearing		834,553
TOTAL RESOURCES		$252,814,066
ACCOUNTABILITY:		
Accountability for Cash in Treasury		$218,017,016
Accountability for Outstanding Warrants		34,797,050
TOTAL ACCOUNTABILITY		$252,814,066

Schedule of Total Long-Term Debt*

June 30, 1980

Amount Available and To Be Provided
For the Payment of Total Long-Term Debt

Serial Bonds:		
Amount available in Debt Service Funds	$ 4,830,061	
Amount to be Provided	37,249,332	
Total Available and to be Provided		$ 42,079,393

TOTAL LONG-TERM DEBT PAYABLE

Serial Bonds Payable	42,079,393	
Total Long-Term Debt Payable		$ 42,079,393

* See Note (1) - Schedule of General Obligation Long-Term Debt on following page.

Schedule of General Obligation Long-Term Debt (1)
June 30, 1980

Amount Available and to be Provided for
The Payment of General Obligation Long-Term Debt

Serial Bonds:		
Amount available in Debt Service Funds	$ 2,816,646	
Amount to be Provided	25,023,354	
Total Serial Bonds		$ 27,840,000

GENERAL OBLIGATION LONG-TERM DEBT

Serial Bonds Payable	27,840,000	
General Obligation Long-Term Debt Payable		$ 27,840,000

Note (1) Due to the nature of the Social and Rehabilitation Services Lease Purchase Agreements for $1,515,918.00, they are not included in this schedule.

Schedule of Long Range Long-Term Debt
June 30, 1980

Amount Available and to be Provided For the Payment of Long Range Long-Term Debt

Serial Bonds:		
Amount Available in Debt Service Funds	$ 2,013,414	
Amount to be Provided	12,225,979	
Total Serial Bonds		$ 14,239,393

LONG RANGE LONG-TERM DEBT PAYABLE

Serial Bonds Payable	14,239,393	
Total Long Range Long-Term Debt Payable		$ 14,239,393

Revenue Bonds

The following table shows all indebtedness issued by the University System and the Board of Housing which is payable solely from specified revenues which are pledged to payment of the bonds. None of such revenues are deposited in the General Fund. These bonds do not create an obligation of or a charge against the state and neither the faith and credit nor the taxing power of the state is pledged to the payment of these bonds.

Revenue Bonds as of June 30, 1980

Board of Regents Revenue Bonds (1)	
University of Montana (Missoula)	$ 16,072,000
Montana State University (Bozeman)	18,385,000
Eastern Montana College (Billings)	4,085,000
Northern Montana College (Havre)	3,023,000
Western Montana College (Dillon)	1,452,000
Montana College of Mineral Science & Technology (Butte)	1,183,000
Total	$ 44,200,000
Board of Housing Revenue Bonds and Notes (2)	
Single Family Mortgage Bonds due 1980-2011	$220,130,000
Multi-Family Mortgage Bonds due 1980-2021	13,525,000
Construction Loan Notes due April 24, 1982	8,940,000
Total	$242,595,000

(1) The Montana Board of Regents may, without further legislative action, authorize the construction of revenue-producing facilities and issue bonds to finance such facilities. Such bonds are payable from revenues of the facilities at the issuing institutions received from dormitory rentals, food service user charges, federal grants including land grant income and student fees.

(2) Bonds issued by the Board of Housing are payable from mortgage loan repayments and investment income. The bonds issued to date are secured by federally insured or guaranteed mortgages and no provision has been made for possible future appropriations by the legislature to cure deficiencies. The Board of Housing is authorized to have an aggregate of $375,000,000 of bonds and notes outstanding.

STATE OF MONTANA
Analysis of Outstanding Debt by Range of Interest Rate
For Fiscal Year Ended June 30, 1980

Range of Interest [1]	Outstanding Debt	% of Total O/S Debt
0.00% to 2.00%	$ 490,000	.57
2.01% to 3.00%	7,106,000	8.23
3.01% to 4.00%	30,044,000	34.82
4.01% to 5.00%	12,666,500	14.68
5.01% to 6.00%	12,400,000	14.37
6.01% to 7.00%	13,170,000	15.26
7.01% to 8.00%	4,670,000	5.41
8.01% to 9.00%	5,744,393	6.66
TOTAL OUTSTANDING DEBT June 30, 1980	$86,290,893 [2]	100.00

[1]Considers face value coupon rates. Does not consider interest subsidies.

[2]Does not include Board of Housing bonds.

STATISTICAL SECTION

Table		Page
1A	Assessed and Taxable Value of Taxable Property	62
1B	Analysis of Taxable Valuation	63
2	Property Tax Rates	64
3	Debt Ratios	65
4	Ratio of Annual Debt Service to General Expenditures	66
5	Employment Data	67
6	Income Data	68

Table 1A
Assessed and Taxable Value of Taxable Property

Property Values. Property within Montana must be assessed at 100% of its market value except mining property and agricultural lands. However, the methods used to establish assessed value are estimated to produce an assessed value equal to approximately 47% and 53% of the actual market value of residential and commercial estate property, respectively. Residential and commercial property represents approximately $4.7 billion of total assessed valuation for 1979. Agricultural lands are assessed on the basis of productive capacity and mines are valued in terms of net and gross proceeds from mineral production.

Property Values

Fiscal Year Ended June 30,	Assessed Value (1)	Taxable Value (2)
1971	$ 3,293,711,990	$ 965,708,451
1972	3,453,025,204	995,099,126
1973	3,672,131,456	1,061,621,651
1974	4,004,125,066	1,198,510,071
1975	4,376,822,527	1,351,740,919
1976	4,778,405,162	1,391,935,128
1977	5,105,825,522	1,466,743,754
1978	13,103,720,390	1,568,285,437
1979	13,741,816,793	1,621,951,970

(1) Assessed value was changed from varying percentages of market value to market value in 1978. The taxable percentages were adjusted accordingly.

(2) Taxable valuation is the value against which the mill rate is applied and is arrived at by applying to the assessed value appropriate ratios found in Montana's Classification Act (for example, the taxable value of residential property is 30% of assessed).

Source: Official Statement State of Montana
September 11, 1980

Table 1B
Analysis of Taxable Valuation 1970-1979

	Agricultural Land		All Other Real Property *		Livestock		Personal Property (Exc. Livestock) *		Utilities *		Net Proceeds (1)		Total
	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value
1970.....	106,231,436	11.15	328,762,937	34.51	58,523,015	6.14	219,582,213	23.04	149,293,765	15.68	90,305,424	9.48	952,698,790
1971.....	107,256,631	11.10	339,208,116	35.11	64,448,106	6.67	227,995,556	23.64	149,933,967	15.52	76,866,075	7.96	965,708,451
1972.....	110,540,667	11.11	352,091,172	35.38	68,554,060	6.89	246,633,620	24.78	152,485,274	15.33	64,794,333	6.51	995,099,126
1973.....	113,353,834	10.68	371,669,111	35.01	83,821,904	7.89	267,864,965	25.23	155,307,613	14.63	69,604,224	6.56	1,061,621,651
1974.....	114,788,164	9.58	405,168,914	33.81	110,064,081	9.18	289,259,197	24.13	163,083,172	13.61	116,146,543	9.69	1,198,510,071
1975.....	116,071,663	8.59	435,614,953	32.25	79,028,021	5.85	336,382,289	24.90	159,702,076	11.82	223,975,328	16.58	1,350,774,330
1976.....	114,823,879	8.25	453,666,664	32.59	66,003,878	4.74	341,472,848	24.53	171,762,257	12.34	244,205,602	17.54	1,391,935,128
1977.....	115,099,683	7.85	483,901,703	32.99	72,460,827	4.94	346,854,736	23.65	182,244,963	12.42	266,181,793	18.15	1,466,674,705
1978.....	139,424,857	8.89	531,792,142	33.91	43,769,134	2.79	392,151,466	25.01	184,303,839	11.75	276,843,999	17.65	1,568,285,437
1979.....	139,017,359	8.57	547,192,323	33.74	60,903,474	3.75	407,530,688	25.13	185,902,241	11.46	281,405,885	17.35	1,621,951,970

* Utilities includes department allocations and real and personal property of utilities after 1936. Before 1936 utilities includes only department allocations with real and personal property containing utility properties.

1 Net proceeds include gross proceeds from 1976 on.

Source: Report of the Department of Revenue
July 1, 1976 - June 30, 1978

Table 2
Property Tax Rates

The property tax levy was developed to provide a nondiscriminatory method of financing public education in the State.

Property Tax Mill Levy (1)

Levy Year	
1980	7.0 mills
1979	9.2 mills
1978	6.99 mills
1977	7.6 mills
1976	9.5 mills
1975	6.0 mills
1974	21.0 mills
1972	6.1 mills
1971	8.3 mills
1970	8.2 mills

(1) A mill is a monitary unit used in calculating and represents one thousenuth of a dollar. The amount needed for property taxes for the year (net levy) is divided by the % deemed collectible. This gross levy is then divided by the net assessed valuation (See Table 4) to arrive at the mill rate. (For example, 1980's 7.0 mills would represent a rate of .0007.)

Table 3
Debt Ratios 1972-1980

	Direct State Debt (1)	Per Capita (2)	Ratio to Assessed Value (3)
1980	$ 42,079,393	$53.70	N/A
1979	26,137,652	33.25	.19%
1978	26,883,259	34.47	.21%
1977	29,931,787	39.08	.59%
1976	32,593,756	43.17	.68%
1975 (4)	26,891,655	36.05	.61%
1974	30,001,930	40.71	.75%
1973	32,825,000	44.97	.89%
1972	34,821,000	48.50	1.01%

(1) includes general obligation and Long Range Building Plan bonds.

(2) populations:

1980: 783,000 *
1979: 786,000
1978: 780,000
1977: 766,000
1976: 755,000
1975: 746,000
1974: 737,000
1973: 730,000 **
1972: 720,000 **

*based on preliminary 1980 census
**estimated amounts

(3) see Table 4A for assessed value

(4) The State's liability for bonded debt was not recorded in SBAS in 1975 or prior years. Information was obtained from State Treasurer's records. As of June 30, 1975, 1974 and 1973, the State's general obligation debt was zero.

Table 4
Ratio of Annual Debt Service to
Total General Expenditures 1972-1980

	Debt Service	General Expenditure	% of Total
1980	$ 10,416,659	$1,213,936,871	.86%
1979	8,223,311	1,102,966,966	.75%
1978	8,940,925	1,051,144,098	.85%
1977	7,946,862	1,004,171,727	.79%
1976	8,156,774	812,053,862	1.00%
1975	7,289,065	631,284,726	1.15%
1974	10,035,096	539,903,137	1.86%
1973	9,990,399	502,660,229	1.99%
1972 (1)	7,732,562	426,664,280	1.90%

(1) 1972's information was not produced by SBAS

Source: Montana State Financial Report 1972-1980

Table 5

Employment Data

	Civilian Labor Force	Seasonally Adjusted (1) Annual Averages		
		Employment	Unemployment	Rates
1970	273,021	261,171	11,850	4.3
1971	278,513	265,011	13,502	4.8
1972	291,152	277,270	13,882	4.8
1973	303,186	288,667	14,619	4.8
1974	318,602	301,878	16,724	5.2
1975	322,575	301,961	20,614	6.4
1976	332,000	312,000	20,000	6.1
1977	345,000	323,000	22,000	6.4
1978	368,000	346,000	22,000	6.0
1979	370,000	351,000	19,000	5.1
1980				
January	370,300	348,400	21,900	5.9
February	374,100	353,100	21,000	5.6
March	377,800	357,100	20,700	5.5
April	377,500	353,000	24,500	6.5
May	376,800	355,100	21,700	5.8
June	377,200	355,000	22,100	5.9

(1) Seasonally adjusted data are provided for statistical analysis only and should not be confused with actual numbers.

Source: Department of Community Affairs
Bureau of the Economic Analysis
Regional Economic Information System

Table 6
Income Data

Total Personal Income *
(Millions)

	Montana		Rocky Mountain Region		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1972	$ 2,885		$ 23,333		$ 935,463	
1973	3,422	18.6%	25,795	10.5%	1,045,303	11.7%
1974	3,670	7.2	28,817	11.7	1,147,257	9.7
1975	4,019	9.5	31,714	10.0	1,248,631	8.8
1976	4,216	4.9	35,062	10.6	1,374,189	10.0
1977	4,585	8.7	39,353	12.2	1,522,766	10.8
1978	5,425	18.3	45,606	15.9	1,709,616	12.3
1979	6,040**	11.3**	51,527**	13.0**	1,915,999**	12.0**
Compound Annual Rate of Growth		11.2%		12.0%		10.8%

Per Capita Income *

	Montana		Rocky Mountain Region		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1972	$ 4,013		$ 4,187		$ 4,493	
1973	4,760	18.6%	4,734	13.1%	4,980	10.8%
1974	4,976	4.5	5,153	8.8	5,428	9.0
1975	5,381	8.1	5,580	8.3	5,861	8.0
1976	5,583	3.7	6,066	8.6	6,401	9.2
1977	5,988	7.2	6,645	9.7	7,038	10.0
1978	6,915	15.5	7,521	13.2	7,840	11.4
1979	7,684**	11.1**	8,205**	9.1**	8,706**	11.0**

* All figures (except for those of 1978) are adjusted and expressed in terms of 1977 dollars.

**Preliminary figures.

Source: United States Department of Commerce